

SECRETARY McKAY'S VISIT TO ALASKA

Mr. CORDON. Mr. President, on July 21 of this year the Anchorage Daily News of Anchorage, Alaska, contained an editorial commenting upon the visit to Alaska of the Honorable Douglas McKay, Secretary of the Interior, and referring to certain unfortunate incidents in connection therewith. I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MOST OF US DON'T ACT THAT WAY

We hope that Secretary McKay realizes that the phony treatment he received by some elements of the Anchorage press does not represent the thinking of all of Alaska or of all Anchorage people either.

The Secretary of the Interior was handed a goading and cold-eye treatment on his recent visit here that would hardly be accorded a public enemy No. 1. He was subjected to indignities by unfair newspaper articles and high-pressure groups that might be appropriate in a political campaign but certainly not in what should have been a cordial welcome to a high representative of the United States Government.

We do not blame Secretary McKay when he finally blew up and told a group that he was "tired of being kicked around by Alaskans."

Secretary McKay's visit to Alaska was essentially for political purposes but the minute he set foot in Anchorage he was besieged by factions, among them remnants of the "Eighteen" and Operation Statehood each of which had been repudiated as out of step with the thinking of the administration at Washington.

Secretary McKay plainly stated his reasons for visiting Alaska in an address before a chamber of commerce dinner last Saturday night.

"When I became Secretary of the Interior," he said, "I had a better than average understanding of some of the problems of Alaska. I determined to learn more about them and from that understanding to attempt to arrive at sane solutions.

"That is the reason for my visit to Alaska." He could not have been more lucid. Yet, the Secretary had barely set foot in Anchorage before he was accosted by pressure people demanding statehood, demanding land, demanding all the things that have been demanded for the past 25 years.

They took an honest, outspoken, and forthright man to task for all the things that a Democratic administration of 20 years in office could not accomplish, that 2 Presidents failed to accomplish, and that at least 3 former Secretaries promised to do and did not.

The present Secretary has put himself on record not once but many times that he is opposed to bureaucratic control of Alaska by Washington, that he is opposed to deep-freezing our land, that he is opposed to lack of wide self-government, that he himself is not opposed to statehood.

He does not have a dictatorial power to remedy these things by a stroke of the pen or a wave of the arm. If he thinks we are stymied by old and archaic laws, orders, and pronouncement, he has a lot of people back in Washington to convince before he can proclaim a remedy.

We think Secretary McKay's visit was for just such a purpose—to view firsthand the shackles that keep Alaska back—and set out on a program of unshackling the Territory as fast as possible.

He certainly could not do it from a conference table or a banquet hall in Anchorage. Yet this apparently was what some people thought should be done.

For our money, we will take a man like McKay, who doesn't promise the world to us at first glance, but who is sympathetic right down to his shoes for us and who will work with us and for us toward the right goal.

It is only to be hoped that the Secretary won't keep the bad taste of Anchorage in his mouth too long and that he will take back with him the true spirit of friendship and warmth which he must have found predominate in the true Alaskans.

RECESS TO 11 O'CLOCK TOMORROW

Mr. HUMPHREY. Mr. President, I now wish the majority leader a good night's sleep. He has been a grand fellow.

Mr. KNOWLAND. I reciprocate, and Mr. President, if there are no further remarks or insertions in the RECORD, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and at (9 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, July 28, 1954, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 27, 1954

The House met at 10 o'clock a. m.

The Reverend S. A. Candow, Lutheran Church of the Master, Los Angeles, Calif., offered the following prayer:

O Lord most holy and most high, this day as we stand before Thy everlasting presence, we beseech Thee to hear us not only as Members of this worthy assembly but also as individuals, sons and fathers, mothers and daughters, who need Thy divine help to carry out the great responsibilities placed upon us.

Forgive us, O most merciful Father, all our sins, both of commission and omission. Help us to believe and obey Thy will. Sanctify what we are so that come day, come night, come joy, come sorrow, come death, come life, we fail Thee not, O God of grace and truth.

Give strength to all souls that seek Thee; enlarge our hearts; give a new edge to our consciences. Keep our feet from falling and our souls from death.

Thou, O Lord God, Who dost understand the life we live, the road we travel, the cup we drink, Thou knowest our need of Thee in our problem of life.

Before us faces a future unknown to us but known and prepared by Thee.

May we find our place in this day and in the future to come so that these responsible men and women may leave a God-given, God-pleasing heritage to those who follow after them as they write their lives on the footprints of the sands of time.

All this we pray in the blessed name of our eternal Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

COMMITTEE ON EDUCATION AND LABOR

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be permitted to sit and act during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MUTUAL SECURITY APPROPRIATION ACT, 1955

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 686 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10051) making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the following amendment: On page 3, line 2, strike out "\$70,000,000" and in lieu thereof insert "\$45,000,000", and after line 2, page 3, insert a new paragraph as follows: "For special assistance in joint-control areas in Europe, \$25,000,000." At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and at this time I yield myself such time as I may consume.

Mr. Speaker, this rule is an open rule and waives all points of order, provides for 3 hours of general debate.

This is the last appropriation bill for this session of Congress.

I know there are considerable differences of opinion regarding the appropriation of money for our foreign activities to fight communism, but I know of no one who is opposed to the rule.

Mr. SMITH of Virginia. Mr. Speaker, I, likewise, know of no one who is opposed to the rule. Of course, there is a lot of difference of opinion on the merits of the legislation it carries. I think attention should be called to the fact that this is a somewhat unusual rule and comes about in this way.

On page 2 the rule makes in order a certain amendment. The reason we have to have a rule on this bill is because the authorizing legislation which passed the House has not passed the Senate and therefore there is no authorization for this appropriation at this time. Of course, it is anticipated that in due course it will be passed by the other

body, when certain other matters that appear to be troublesome are gotten out of the way. It was necessary to have a rule because this appropriation is not as yet authorized by law although the House has passed the authorization bill. For the same reason it is necessary to waive points of order against the proposed amendment.

Therefore, in order that this bill may be in order it was necessary to have this rule. I know of no objection to the rule.

Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, I am today introducing a concurrent resolution to throw the moral support of the Congress behind the United States delegation to the United Nations to resist and prevent salary awards from being paid by the General Assembly to 11 fifth-amendment American employees of the United Nations. The 11 fifth-amendment Americans refused to testify before the Senate Internal Security Subcommittee when asked about their subversive activities. All of them took refuge under the fifth amendment and refused to answer questions by the Senate Internal Security Subcommittee, whereupon Secretary General Trygve Lie dismissed them from the United Nations' employment.

These 11 disloyal American employees appealed to the Administrative Tribunal at Geneva and the tribunal gave a decision to reinstate these people, and to award them damages.

When our representative to the United Nations, Henry Cabot Lodge, Jr., was asked about this decision he said:

I think the decision was all wrong. I am very much opposed to it and I will do everything in my power to resist it at the United Nations.

The International Court of Justice by a vote of 9 to 3 recently upheld the Administrative Tribunal's finding awarding the 11 fifth-amendment employees a total damage of \$179,420. If the General Assembly approves the award, these 11 disloyal American employees will be paid the amount of \$179,420, one-third of which comes from the American taxpayers who foot most of the bills for U. N. expenses.

I understand that the Court's opinions are not binding upon the United Nations General Assembly and, therefore, the next step will be a decision by the General Assembly itself on whether to pay the award.

This resolution will strengthen the position of Ambassador Lodge against paying American money to these former employees who have been guilty of subversive activities and who took refuge under the fifth amendment.

The resolution provides as follows:

Concurrent resolution expressing the sense of the Congress with respect to the payment of damages to certain American employees in the United Nations who were dismissed because of their refusal under the fifth amendment to answer questions before a committee of Congress

Whereas 11 American employees in the United Nations were asked in 1952 and 1953 to testify before the Internal Security Subcommittee of the Senate concerning their membership in the Communist apparatus and other subversive activities, but refused under the fifth amendment to answer, with the result that such subcommittee recommended their dismissal from such employment; and

Whereas the Secretary General of the United Nations dismissed the 11 employees from their employment in the United Nations, and they appealed; and

Whereas on appeal the United Nations Administrative Tribunal awarded damages to the 11 employees in a total amount of \$179,420 on account of such dismissal, and the International Court of Justice has recently upheld the Administrative Tribunal; and

Whereas the case is now before the General Assembly of the United Nations, which must approve the award of such damages before payment thereof can be made; and

Whereas the United States, which pays approximately one-third of the expenses of the United Nations, should not be compelled to contribute any of its funds for the payment of damages in a case of this kind to persons who have a record of disloyalty to the United States: Therefore, be it

Resolved by the House of Representatives (the Senate concurring). That it is the sense of the Congress that the United States delegation to the United Nations should take all possible steps to prevent the General Assembly of the United Nations from authorizing or approving the payment, to the 11 American employees in the United Nations who were dismissed because of their refusal under the fifth amendment to answer proper questions before the Internal Security Subcommittee of the Senate, of the awards of damages (in a total amount of \$179,420) made by the United Nations Administrative Tribunal and recently upheld by the International Court of Justice. And that no part of the funds heretofore appropriated, or hereafter appropriated by the Congress for the United Nations shall be used for the payment of such awards.

Certainly if Ambassador Lodge has behind him the sense of this Congress that we do not want the money of the taxpayers of America to be used in paying these Communists, for that is what they are, his position will be strengthened in the General Assembly. These employees refused to testify and invoked the fifth amendment. This is contrary to both our National and State policies. The President recently stated that fifth amendment citizens are not entitled to employment by this Government, and when one refuses to testify and claimed exemption thereunder, he should be dismissed. The Committee on Post Office and Civil Service brought in a bill the other day in which the identical principle was embodied.

I appeal to the majority leader to help get this resolution out of the committee to which it may be assigned, and I think he will do it because I do not believe he is in favor of taking the money of the taxpayers of America and paying these disloyal Americans for their subversive activities in the United Nations.

Mr. CLARDY. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Michigan.

Mr. CLARDY. I heartily approve of the gentleman's resolution, but assuming that the time is too short, since the gentleman has been here longer than I have may I ask him if there is any way we can get the sense of the Congress expressed either through placing something on the desk for signature or something of that sort?

Mr. ROGERS of Florida. No. I think when this resolution is brought to the attention of the committee they will bring it out, because it is something we ought to attend to before we leave here.

Mr. CLARDY. I quite agree.

Mr. ROGERS of Florida. We should not use American taxpayers' money that has been appropriated by the Congress to the United Nations to pay American employees engaged in subversive activities and who refuse to testify on account of self-incrimination and take refuge under the fifth amendment. We should not use taxpayers' money to pay these subversives. I hope the committee will bring out this resolution and that it will be passed upon before the Congress adjourns.

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Illinois.

Mr. SHEEHAN. I want to commend the gentleman on his resolution and hope it passes. I want to associate myself with his resolution.

Mr. ROGERS of Florida. I thank the gentleman very much.

Mr. SMITH of Virginia. I have no further requests for time, Mr. Speaker.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

JULY 27, 1954.

HON. JOSEPH W. MARTIN, JR.,
The Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Merchant Marine and Fisheries.

With kind regards, I am
Respectfully yours,

EUGENE J. KEOGH.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. RAYBURN. Mr. Speaker, I offer a resolution (H. Res. 688) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That EUGENE J. KEOGH, of New York, be, and he is hereby, elected a member

of the standing Committee of the House of Representatives on Ways and Means.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

| | [Roll No. 119] | |
|---------------|----------------|---------------|
| Angell | Gamble | Regan |
| Barrett | Gubser | Richards |
| Bolton | Harris | Roberts |
| Frances P. | Harrison, Wyo. | Rogers, Tex. |
| Brooks, La. | Hart | Roosevelt |
| Buckley | Hébert | Secret |
| Canfield | Hinsaw | Short |
| Celler | Kersten, Wis. | Sieminski |
| Chatham | Kilburn | Sutton |
| Chudoff | Long | Thompson, La. |
| Cotton | Lucas | Vinson |
| Crosser | McCarthy | Vursell |
| Curtis, Nebr. | Mailliard | Weichel |
| Davis, Tenn. | O'Brien, Mich. | Wheeler |
| Dawson, Ill. | O'Neill | Wier |
| Dingell | Powell | Willis |
| Dodd | Priest | Wilson, Tex. |

The SPEAKER. On this rollcall 375 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SPECIAL ORDERS GRANTED

Mr. SAYLOR asked and was given permission to address the House for 45 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

Mr. PATTERSON asked and was given permission to address the House for 10 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

MUTUAL SECURITY APPROPRIATION BILL, 1955

Mr. TABER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10051) making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10051, with Mr. GRAHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TABER. Mr. Chairman, I yield myself 31 minutes.

Mr. Chairman, the Committee on Appropriations was faced with a very peculiar problem in connection with this bill. The authorization bill had passed the House when we got to the point where we were ready to mark the bill

up, but the bill had not passed the other body. However, it had been reported by the Committee on Foreign Relations of the other body. Therefore, there was no law under which we could proceed. We felt it was necessary, if the Congress was ever to complete its labors, that the bill be presented to the House early this week and disposed of. Therefore, we proceeded in the best way we could to write up a bill. It is because of this situation that we were obliged to ask for a rule.

In arriving at the amounts recommended, we took the lowest figure from the House bill, the Senate bill, and the budget. In some cases the figure of one was lower and in other cases another figure was lower. We started with that as a basis, and we proceeded to write up the bill.

On page 2 of the report the action that was taken and the comparisons with the base figures are shown. We followed the same practice that we did last year in reappropriating only such items as could be justified before our committee. I will go through the items and indicate what was done on each.

The first item is "General military assistance." The language there is broad enough to cover any area. The budget estimate and the House bill in that instance were close together, but the Senate bill was lower by a considerable amount. We took the Senate figure of \$1,265,300,000 and recommended that figure.

We were advised by the Mutual Security Agency that there was an unobligated balance for this particular item of \$2,472,567,283. We reduced that by \$265 million, roughly, leaving a balance of \$2,207,087,729. So that there is available for the military-assistance item a total of \$3,472,000,000 plus.

On infrastructure the budget item was below the House or the Senate bill by \$200 million. There we took as the base the budget figure of \$122,700,000.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes; I yield.

Mr. JAVITS. That item puzzled me, because apparently the committee took \$76 million rather than \$122 million, which is the contractual figure for our Government on infrastructure, and it is not a question of cutting, but one of honoring our commitments.

Mr. TABER. Well, I am sorry the gentleman did not understand the situation. We approved \$76 million, but there was an unobligated balance of \$39 million reported for that purpose. They stated that their obligations during the fiscal year 1955, for which we are carrying the appropriation, would be \$115 million, which is the total of the \$39 million of unobligated balance that they reported, plus \$76 million which we have carried in the bill.

Mr. JAVITS. The gentleman states that if we accept this figure our Government will be able to perform its obligations which are contractual, undertaken in connection with infrastructure, according to the representation of the Budget Bureau.

Mr. TABER. It will be able to enter into contracts for the amount that the

Mutual Security setup advised us would be obligated in the fiscal year 1955. That is all that we tried in any case to put in.

Mr. JAVITS. The idea was not just to cut the figure then. You were dealing with it realistically, based on their unobligated balance and the new appropriation as being adequate to meet the commitment?

Mr. TABER. That is right, and the budget estimate.

Mr. JAVITS. I thank the gentleman.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. FORD. Mr. Chairman, in reference to the question raised by the gentleman from New York [Mr. JAVITS], there is testimony in the hearings which clearly sets forth the fact that the committee approved all funds for the fiscal year 1955 that they thought they could obligate. The figure we used is precisely that which they set forth in their testimony.

Mr. TABER. That is right, and I thank the gentleman.

Mr. Chairman, for development of weapons we carried only the unobligated balance forward, \$27,825,000. There was nothing carried in the Senate bill or the Senate report for that particular purpose.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The item was eliminated when the authorization bill passed through the House.

Mr. TABER. That is correct. It was eliminated here.

The next item is the total for military assistance and I will not go into those because the membership can see them very readily.

The direct forces support for Southeast Asia and Western Pacific is carried at \$712 million, which I am advised by a high authority in the Government can take care of their needs.

For the common use items we carried the figure that was set forth in the Senate report.

For defense support we carried for Europe, excluding Greece and Turkey, \$70 million. There was a feeling on the part of the Foreign Affairs Committee representatives who appeared before the Rules Committee that this amount should be carried in two separate items, one of \$45 million and the other of \$25 million to accomplish the same purpose. It was thrown together by our committee because the budget put it together. I am very glad to say that I am prepared to offer an amendment which will separate the items into two figures. The rule that has been presented by the Rules Committee provides for that. I have talked to the ranking minority member of the subcommittee, the gentleman from Virginia [Mr. GARY], and he has agreed to that procedure. So that when that item is reached in reading the bill I will offer the amendment and I will offer it in one amendment to cover it.

For the Near East, Africa and South Asia, including Greece and Turkey, the

item is \$73 million, the figure that is carried in the Senate report.

For the Far East and Pacific: \$86,230,195, was proposed. The committee made a cut of \$230,195, down to \$86 million.

For the Korean program we provided \$200 million.

For the United Nations Korean Reconstruction Agency, we approved an unobligated balance of \$15 million and \$3 million of new money. In view of the rate of operations during the last fiscal year and what they seem to have in sight, we feel that that would take care of that activity satisfactorily.

The total defense support figure runs to \$447 million, at the bottom of the page. I will not go into any more detail on that.

Next we have development assistance: There was \$115 million for Near East and Africa carried, which is the Senate figure.

For southeast Asia we carried \$60,500,000 as against a Senate figure of \$76 million, which was the low of the three, a reduction of \$15,500,000.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. Is that all for India?

Mr. TABER. I think it is, yes.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. In looking at the report, the amount of new money in the bill is \$2,895,000,000 plus; is that correct?

Mr. TABER. That is correct.

Mr. SMITH of Wisconsin. And the unobligated balance is \$2.3 billion, roughly?

Mr. TABER. \$2.3 billion, yes.

Mr. SMITH of Wisconsin. Now then, what is the total spending permitted under this bill?

Mr. TABER. Five billion two hundred and eight million four hundred and nineteen thousand nine hundred and seventy-nine dollars is the total. That is the total amount available to the agency for obligations.

Mr. SMITH of Wisconsin. But that is new obligations, is it not?

Mr. TABER. It is a reappropriation of unobligated balances and new money.

Mr. SMITH of Wisconsin. Does the gentleman think that we can spend \$5 billion on this program in the next year?

Mr. TABER. No, but a great many things that should be supplied by us to some of these other nations are such things as jet planes and other articles that take a very considerable time to get out from the date the funds are made available.

Mr. SMITH of Wisconsin. I want to compliment the gentleman and his committee for the work that they have done, and I think that your report is very clear and concise. I am particularly impressed with the criticism that is directed at the Administration in failing to give the kind of information that is necessary.

Mr. TABER. I will have to say it was just like pulling teeth to get some of the information.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Virginia.

Mr. GARY. The figure of \$5,208,000,000 plus which has just been mentioned as the total amount available for the fiscal year 1955 compares with the figure of \$6,919,000,000 plus available for 1954, which is a reduction of \$1,711,000,000.

Mr. TABER. That is correct. The total overall reduction from the budget figures is \$812 million.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. The gentleman has explained these figures according to this chart in a very clear manner. I should like to ask the gentleman this question. Since the House passed the authorization bill, of course, there has been a decided change in the situation in Indochina. Is the gentleman able to tell us to what extent the Committee on Appropriations has given effect to the altered situation in Indochina geographically, contrasting the present situation with that which existed when the authorization bill was passed?

Mr. TABER. The day we marked up the bill followed by about 24 hours the so-called signing of whatever it was in Geneva. We had Secretary Dulles and Mr. Stassen before the committee that day. We went into the situation quite thoroughly, as to what the result might be. The committee was especially interested in finding out whether or not adequate preparations were being made by the administration to get American supplies—guns and ammunition and trucks, and so forth—out of Indochina so that under the Geneva agreement, when they were obliged to evacuate, there would not be any substantial quantity of supplies left. We were assured that that was the case. Secretary Dulles advised us that the situation was critical.

Frankly, we ourselves can recognize that, because the Chinese Communists seem to be rather lawless in the way they operate; and what has happened in the last 2 or 3 days has tended to accentuate that situation. It is going to be necessary that we do whatever we can to build up support for the defense of the Far East, southeast Asia, and the Western Pacific. The best group of troops in all of that area at the present time is the Koreans. They have been trained by our people. Undoubtedly we have got to move into that picture more than otherwise would have been necessary. Also the Philippine picture has got to have considerable strength. The Indonesia picture must have considerable strength and the Japanese picture likewise.

I do not see how we can avoid our responsibility to our people through failing to see that these people in the Far East who are ready to fight to head off communism are, as far as we can do it, properly equipped to do it. For that reason, we carried the base figure forward so that the administration would have available to it money to develop those resistance areas against the Communists so that we would not have to

carry all of the brunt ourselves, and so that just as far as it is possible our western countries and the western Pacific area could be protected.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. Of course, it is true that we have to play this thing almost by ear because of the shifting conditions day by day, but as regards the Indochina picture alone, certainly there would be doubt in my mind about the advisability of continuing any such scale in the way of aid in that area as has been followed in the past.

Mr. TABER. I would share that feeling. On the other hand, I do feel that we have to have as much support as we can get out of the folks in that territory where they really want to see freedom maintained and the Communist picture held out.

Mr. KEATING. I would agree with that entirely. The events of the past few days have accentuated the imperative need for strengthening the hand of those who are ready to defend freedom in the Far East. Is there authority in this bill for the shifting of funds from one area in southeast Asia to another?

Mr. TABER. The picture is this: These funds are given to the President. The language of the bill, I think, is probably as clear as I can explain it. I will read that particular part. This is the way the paragraph reads:

Southeast Asia and the western Pacific: For assistance authorized by section 121, \$712 million.

Therefore, the gentleman can see that the authority is broad enough to cover the whole of the western Pacific, from the top of the map at Alaska all the way around and down.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. The section 121 to which reference is made in the paragraph of the bill which the gentleman just mentioned includes this language:

For expenses necessary for the support of the forces of countries in the area of southeast Asia, including the Associated States of Cambodia, Laos, and Vietnam, and the forces of free nations in the area including those of France, located in such Associated States, and for other expenditures to accomplish in southeast Asia and the western Pacific the policies and purposes declared in this act.

This appropriation is tied to that authorization, which is very broad.

Mr. TABER. That is correct.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WOLVERTON. The report indicates there are several billion dollars of unexpended balances. Can the gentleman inform me why it is necessary for us to appropriate additional money this year when there are unexpended balances in excess of that which is to be appropriated in this bill?

Mr. TABER. There are no unobligated balances carried forward except as they are carried forward by this

particular bill. The rest of them all return to the Treasury. The unexpended balances that are contracted for are very largely in the military elements. Frankly, we do not know where those things will be used. When they are ready for delivery, this is the practice: If the United States needs it, they get it. The way we financed the first run of the Korean war was out of funds that had been set up in what was then the Economic Cooperation Administration. I do not believe there is anything in those contracts that we should try to disturb. The committee has been very careful in screening the situation, and in arriving as nearly as possible at what would be the actual needs of the program. I do not think we have been very far away from the mark.

Mr. WOLVERTON. The report to which I refer states that there are approximately \$9,979,000,000 as of June 30, 1954, of which \$7,396,000,000 is reported as obligated and \$2,582,000,000 is unobligated and available for use in 1955. So the report states there are approximately \$2½ billion unobligated.

Mr. TABER. Yes, and out of that \$2½ billion, we have carried forward \$2,312,000,000 as the report shows on page 3. The rest of it that is unobligated will not be available.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MORANO. Can the gentleman explain what action was taken on the item for technical assistance to the United Nations specialized agencies, and the reason for the action which was taken?

Mr. TABER. We left that out because it had been operated with utter disregard for the law of the Congress. They used the money for other purposes than the conference report of last year provided that the money could be used for. Furthermore, it was a duplicating agency in every country in which it operated.

Mr. MORANO. Is the whole item stricken?

Mr. TABER. Yes.

Mr. GARY. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, it has been my responsibility to serve on this subcommittee since the foreign-aid program was first initiated. This year we have had by far the most difficult situation to face that has occurred during that entire time. Heretofore, we have had an authorization bill passed by the Congress to guide us in the amounts of money that we are permitted to appropriate. This year, we have no authorization bill. The bill has passed the House; it has been reported out of the committee in the other body, and is now awaiting action on the Senate floor. We have no way of knowing the exact amounts that will be authorized when action on that bill is completed.

After action by the Senate it will have to go to a conference committee. Obviously, if we were to withhold our action on this bill until after that bill has finally passed, we would delay action to such an extent that it would be impossible for the Congress to adjourn at the time upon which we have set our sights.

Our committee therefore was faced with the difficulty of selecting amounts which would not exceed the authorizations when those authorizations have been determined.

In that situation let me say we have been most ably guided by our chairman. I want to pay my respects to the gentleman from New York [Mr. TABER] the chairman of this committee. He has done an admirable job. Our chairman, as we all know, believes in economy, as does the ranking minority member of the Appropriations Committee, and I may say as also does the ranking minority member on the subcommittee. We believe in economy, and yet we are faced with an international situation today that we cannot ignore.

Just a few moments ago a question was raised as to Indochina. Would anyone on this floor say today, after the events of the last 2 or 3 days, that the situation in Indochina is settled? To my mind, the situation in Indochina is just as acute today, or possibly more so, than it was this time last week. We are dealing with a fluid international situation, and in dealing with that situation we must give the executive branch of this Government our wholehearted cooperation and assistance. We must give the executive officials and agencies certain latitudes in the use of funds. That is what we have tried to do in this bill.

How much have we reduced this bill? You will find three tables in the report of the committee, and you can take your choice. The first table is found on page 2. If you will look at it you will see that our subcommittee has cut the bill \$375 million. But let me call your attention to the fact that that represents a cut from the low figure in the budget or in the House authorization or in the Senate committee authorization, whichever is the lower. That is the low figure. The least we have cut from this bill is \$375 million.

Now, if you want to look at it from another angle—we do not know what the authorization figures will be—let us take the high figure and see what that would amount to. If you will look on page 14 you will see a table there based upon the high figure in the House authorization bill and the Senate committee authorization. There you will see that from the high figure we have cut the new money request \$542,600,000. All of you know that when a bill goes to conference it seldom comes out either with the low figure or with the high figure. So, if you want to estimate the amount of the cut from the authorized appropriation, probably a middle figure between those two would be proper.

The significant figure appears in the table beginning on page 18, and if you will examine that table you will find that we have cut the budget request \$812 million. You will also see that we have reduced the expenditures, the total amount available for 1955 as compared with 1954, \$1,711,000,000.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Ohio.

Mr. VORYS. I do not know whether the gentleman has mentioned the table

on page 4 which shows that of the cuts made \$269 million of it is from the unobligated balances and, as the committee's report shows, it may well be that the unobligated balances, if you can locate them for sure, which are not needed may exceed this figure. So that all the gentleman's committee has done in that respect is to take the money that is not yet programed and recover it for the Treasury, is that right?

Mr. GARY. The gentleman is correct, and I thank him for his contribution.

Mr. VORYS. The Appropriations Committee had a section 1111 in the supplemental appropriation bill in which a definition of what an obligation is was written into the law. Could the gentleman say whether all of the obligations that have been discussed here would come within the terms of that definition?

Mr. GARY. I may say to the gentleman that is something we have tried our best to find out, but thus far we have not been able to get satisfactory information on it. We have our committee staff and the General Accounting Office working on that problem now. We hope to obtain that information and any of those obligations which are not sound obligations will not be carried over until next year but will revert to the Treasury. So it is possible that the reduction will be much larger than shown in the table.

Mr. VORYS. I would like to congratulate the subcommittee and the Appropriations Committee for their work in trying to get everyone to understand what is or is not an obligation. I think that effort will in itself result in substantial savings of money to the taxpayers.

Mr. GARY. I thank the gentleman for his comment. I think the drafting of that definition by the Appropriations Committee and the approval of it by this body, will be most helpful in the future in handling these accounts. It has been extremely difficult in the past to determine what is an obligation and what is not an obligation. We have now laid down very definite rules to determine that fact. The language may have to be changed to some extent after some experience in operating under it, but certainly the language is sufficient to put proper restraints upon the agencies in reporting their obligations, and we should have a very much better picture of that situation in the future.

Mr. Chairman, I think this is a fair and reasonable bill. We have to look at two sides of this international situation. We have to look first at the needs. We also have to consider our economic situation and our ability to pay. What our subcommittee has tried to do in this bill is to weigh carefully those factors and to report to you a fair and reasonable bill that will not unduly curtail the mutual defense program but, rather, will give that program such funds as it needs to provide for the defense of America and the rest of the free world and at the same time to keep the bill within due bounds so that we may maintain the necessary strength in our own domestic fiscal situation. I sometimes fear that possibly we do not realize how important that is. Unless we can remain strong

fiscally, we cannot defend the United States of America and we cannot give proper assistance to the defense of the other free nations. One of the strongest elements of defense is fiscal solvency. As the ranking minority member of this subcommittee, I will say that I think this committee has presented such a bill to the House and I shall support it throughout. I trust that it will be the pleasure of the House to adopt it as it has been presented by the committee.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, it is unnecessary to state that we are living today under perhaps the most difficult and dangerous conditions in our entire history. We are living in a world which could burst into flames at any time.

We are confronted by the armed might of the Communist Government of Russia. We are confronted by the increasing armament of the Soviet satellite nations.

We are confronted by the fact that some 800 million people, or one-third of the world's population, are now under Communist control, and that another one-third of the world's population which is today in a more or less neutral position, may well by their ultimate decision determine the fate of the entire free world.

Our best assurance against possible conflagration is to be found in a powerful and cooperative free world.

To that end we have been striving with every force at our command.

Military assistance can contribute to essential power; technical assistance can contribute to understanding and cooperation.

In considering this bill, Mr. Chairman, it seems to me important to keep in mind its world-wide scope.

This is not an ordinary appropriation bill. What we do or say here can have world-wide repercussions.

The bill should, of course, have careful consideration. It should be considered as carefully as available information permits. But drastic action in a desire for economy, in fact, any action which can be interpreted as weakness or as a retreat on our part, could have disastrous consequences.

I think it is also important, Mr. Chairman, to keep in mind the importance attached to this program by the President of the United States, by the Secretary of State, by General Gruenther as Supreme Allied Commander, and by our other military leaders at this time.

They attach the greatest importance to this overall program, supplementing as it does our own military program, as they work day and night for the strength and for the unity that is essential to success, not only among our allies, but among those neutrals who we hope will ultimately stand shoulder to shoulder with the free world against Communism.

Policy, as far as the fiscal year 1955 is concerned, has already been largely determined by the House action on the authorizing legislation.

The question here is simply a matter of dollars and cents.

We cannot administer this program from the Capitol.

In this cold war, as in a hot war, we are compelled in large measure to give our designated leaders the weapons which they require and to trust them in their application.

May I also point out, Mr. Chairman, that of the total funds carried in this bill, about 85 percent are for military assistance or direct forces support. There is only about \$800 million carried for all other activities.

As has been stated, your committee recommends an appropriation of \$2,895,000,000 in terms of new money, and the carrying forward of \$2,312,000,000 of unobligated funds, giving a total available for obligation in fiscal 1955 of \$5,208,000,000.

This figure compares with an original request of about \$6 billion, and with a

total available for obligation in fiscal 1954 of about \$6.9 billion.

As compared with the so-called base figure which the chairman has explained in detail, the recommendation represents a reduction of \$106 million in new money and \$269 million in unobligated funds carried forward, a total reduction of \$375.6 million.

If we compare it with the original request for fiscal 1955 the recommendation represents a reduction of \$542 million in new money and \$269 million in unobligated funds carried forward, a total reduction of about \$812 million, making available for obligation in fiscal 1955 about \$1,711,000,000 less than in fiscal 1954.

Under leave to extend my remarks, I include in the RECORD the table on page 4 of the committee report, showing a breakdown by program in terms of new money and unobligated funds for fiscal 1954 and fiscal 1955.

Summary of bill

| Item | Available, 1954 | Estimates, 1955 ¹ | Recommended, 1955 | Bill compared with— | |
|-----------------------------|-----------------|------------------------------|-------------------|---------------------|-----------------|
| | | | | Available, 1954 | Estimates, 1955 |
| Military assistance: | | | | | |
| Appropriation..... | (?) | \$1,580,000,000 | \$1,341,300,000 | | —\$238,700,000 |
| Unobligated balance..... | (?) | 2,539,392,283 | 2,273,912,729 | | —265,479,554 |
| Total..... | \$4,419,416,947 | 4,119,392,283 | 3,615,212,729 | —\$804,204,218 | —504,179,554 |
| Direct forces support..... | 979,581,564 | 945,000,000 | 776,000,000 | —203,581,564 | —169,000,000 |
| Defense support: | | | | | |
| Appropriation..... | (?) | 489,232,615 | 432,000,000 | | —57,232,615 |
| Unobligated balance..... | (?) | 18,547,385 | 15,000,000 | | —3,547,385 |
| Total..... | 720,767,687 | 507,780,000 | 447,000,000 | —273,767,687 | —60,780,000 |
| Development assistance..... | 302,355,500 | 224,000,000 | 184,500,000 | —117,855,500 | —39,500,000 |
| Technical cooperation..... | 107,454,161 | 131,528,000 | 101,500,000 | —5,954,161 | —30,028,000 |
| Other programs: | | | | | |
| Appropriation..... | (?) | 68,789,190 | 60,644,000 | | —8,145,190 |
| Unobligated balance..... | (?) | 24,144,060 | 23,563,250 | | —580,810 |
| Total..... | 389,996,448 | 92,933,250 | 84,207,250 | —305,789,198 | —8,726,000 |
| Total, Mutual Security: | | | | | |
| Appropriation..... | 4,531,507,000 | 3,438,549,805 | 2,895,944,000 | —1,635,957,000 | —542,605,805 |
| Unobligated balance..... | 2,388,065,307 | 2,582,083,728 | 2,312,475,979 | —75,589,328 | —269,607,749 |
| Total..... | 6,919,572,307 | 6,020,633,533 | 5,208,419,979 | —1,711,152,328 | —812,213,554 |

¹ Budget estimates of new appropriations and unobligated balances as reported by FOA.

² Distribution of program figures between appropriation and unobligated balances not available.

You will note that if we add the total carried for military assistance, of \$3,615,000,000, to the total carried for direct forces support of \$776 million, it gives a total for the 2 items of about \$4,391,000,000, or just about 85 percent of the total carried in the bill.

Included in this total is the \$712 million fund which has been referred to, applicable to southeast Asia and the western Pacific.

This fund is in effect an emergency fund appropriated to the President with complete flexibility so that it can be applied all the way from Burma to Japan, as the situation develops from week to week or month to month.

In my judgment, the fact that fighting has ceased in Indochina does not mean that the situation as a whole is any less dangerous. In fact, it may well increase the danger and the need for this emergency fund.

As to the other 15 percent of funds recommended in this bill, you will see in the

table referred to that it is broken down into 4 categories, as follows:

First. For defense support, mostly in the Far East, \$447 million.

Second. For development assistance, mostly in the Near East, India, and South America, \$184,500,000.

Third. For technical cooperation, in relatively small sums in 16 countries in the Near East, 5 in the Far East, and in the 21 Republics of Latin America, \$101,500,000.

Fourth. For so-called other programs listed on page 3 of the report, \$84,207,000.

These programs, Mr. Chairman, your committee has considered item by item as carefully as available information has permitted.

I realize that this question has always cut squarely across party lines. I know that there are those who, in the interest of economy, would like to reduce further the sums recommended by your committee.

I appreciate fully the shortcomings of FOA and its predecessors in the past. I also appreciate the shortcomings of today, notably in the accounting and obligating fields referred to in some detail in the committee report.

These can and must be eliminated.

However, Mr. Chairman, looking at the picture as a whole, it is my belief that it is changing for the better.

The program is now largely one of military assistance. Economic aid is being drastically reduced. The overall cost of the program is dropping substantially. The total overall available for obligation in 1955 is \$1,700,000,000 less than in 1954. Provision is included in respect to offshore procurement designed to safeguard our mobilization base and to contribute to national defense and to the national economy.

I look for further progress as the shortcomings referred to are eliminated.

Just as in our military picture we have had for years conditions in the field of accounting that have been almost unbelievable, we have found in this field similar conditions.

Those conditions, as I have said, are improving. They can and must be eliminated.

Mr. Chairman, we are fighting a cold war in which every possible ally is vital.

Because we are disappointed with results to date is no reason for retreating.

I regard this overall program, properly administered, as vital to our national defense and vital to the defense of the free world.

I am certain that President Eisenhower, and those close to him in the conduct of the cold war, are of the same opinion.

I am confident that this House will vote those funds which are essential, in order that the hands of our chosen leaders may not be tied, in order that our position may not be misconstrued abroad at this crucial period in the world's history.

Mr. Chairman, I yield back the balance of my time.

Mr. GARY. Mr. Chairman, I yield 3 minutes to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, the reason I take the floor at this time is to refer to an editorial which appeared in the New York Times on yesterday morning. On leaving the hotel and driving down to the Capitol yesterday and reading the New York Times, I finally came to the editorial page and read the editorial which blamed the gentleman from New York, JOHN TABER, the chairman of the Committee on Appropriations, and his committee, for the deep cuts which were made in this foreign-aid program. I attended the meeting of the full committee on last Saturday, which was the longest meeting of the full committee that I have attended this year. I want to say to the editorial writers of the New York Times and any other newspapers that if they had had the opportunity of attending that meeting, they would never write the editorial they wrote yesterday morning because the gentleman from New York, JOHN TABER, as chairman of the Subcommittee on Appropriations handling this particular appropriation bill and as chair-

man of the full Committee on Appropriations did as much or more than any other member of the committee to prevent further cuts, than those that had been made, in the bill we have before us at the present time. And if it had not been for the gentleman from New York, JOHN TABER, we would not have as good a bill as we have at the present time as far as the administration is concerned.

I have been a member of this committee for the past 8 years. I have heard many men and women in public life, not only in Congress but out of Congress, take credit for balancing the budget or attempting to balance the budget of this country. In my humble opinion, no man in public life or in the Congress on this side of the Capitol or on the other side has done more in the 8 years that I have been a member of this committee to help balance the budget of this country than has the gentleman from New York, JOHN TABER, the chairman of the Committee on Appropriations at the present time and the gentleman from Missouri, CLARENCE CANNON, who was formerly chairman of the full Committee on Appropriations. Those 2 men, in my humble opinion, have done more to cut out unnecessary Federal spending and have done more to try to balance the budget than any other 2 men in or out of the Congress in the 8 years that I have been a member of this committee. I just do not like to read editorials, especially editorials like the one of yesterday morning, blaming a man for something he is not responsible for. If they knew the facts, they would be praising him instead of condemning him.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I have heretofore taken the position in the discussion on appropriation bills for the MSA that I would move to restore all cuts made by the Appropriations Committee in the requests of the President, on the ground that those really represented a vote of confidence in the President in the handling of foreign affairs.

We are facing a peculiar situation this time, in that there is no authorizing legislation. We have passed a bill which is authority if it becomes law. The Senate has not even acted on the bill. One has been reported by the Senate committee. Therefore, there is very little which can be done beyond the ceilings placed either by the House itself or by the Senate committee. As a result, the area in which amendments may be properly made to buttress and support the President's position is extremely limited.

One amendment that I had intended to make, which I shall not make, is on infrastructure. That represents contractual obligations for the building of airfields and other installations on a 3-year program with our allies, in which we contribute something less than 40 percent of the total, a very wise plan for the United States. But it has been explained and we must rely on that explanation, that what the Appropriations Committee allowed is actually money that the United States really requires on a contractual basis. I intend to rely

upon the representations of the chairman of the Appropriations Committee on that subject.

That leaves four items which need to be dealt with if we are to sustain the President's position and his requests.

Those are, first, development assistance provision for India, in which this committee has allowed some \$25 million less than the House authorized and \$15,500,000 less than the Senate committee authorized, and that does not represent a Senate figure either, so that it is properly a subject for amendment.

Second, restoration of \$12 million for bilateral technical assistance.

Third, restoration of some \$17 million for our contributions to United Nations technical assistance; and finally, an appropriation of \$500,000 for hard-core refugees being cared for by the United Nations agency, which is in the House bill but not in the Senate bill. The Senate has not yet had an opportunity to act on that matter, which is a humanitarian question. Therefore, we cannot quarrel with that until such time as the Senate decides to make that obligation a law. An amendment would be subject to a point of order anyway. So we really get down to these three fundamental matters, development assistance, technical assistance, and United Nations technical assistance, which will properly be subject to amendment. There will probably be other amendments by others, but I have described what I consider to be the position for those who wish to uphold the hands of the President in his request to the Congress upon this mutual-security program at this particular time.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GARY. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I am glad to be a member of the Committee on Appropriations. All members of this great committee work unceasingly and untiringly to eliminate nonessential Federal expenditures. The members of the Appropriations Committee are conscientious and each member has contributed greatly to the well-being of our country.

I have nothing but praise for the distinguished chairman, JOHN TABER, and the distinguished former chairman, CLARENCE CANNON. It is only natural that you would come to know members of your own subcommittee better than you do other members of the committee. It has been my privilege to serve for many years under VAUGHAN GARY, of Virginia, former chairman of the appropriations subcommittee handling funds for the Treasury and Post Office Departments. A more sincere and conscientious Member has never served in this body, but regardless of my admiration for the members of the appropriations committee, I do not like the bill that is before us and I cannot with good conscience support it.

In the end the House will work its will and every Member will vote his own convictions, but as a member of the appropriations subcommittee handling the bill I must properly discharge my duty and comment briefly on the so-called

mutual security appropriation bill. It is not my purpose to trifle with your feelings but I cannot constrain myself from labeling this bill the "Santa Claus bill."

I have opposed this worldwide spending program from its conception back in 1947, believing at that time that once we started this worldwide giveaway program that there would be no stopping place and that it would continue to grow and spread. If you will check the record you will discover that every year more programs are added, old programs are broadened and additional nations are brought in for a handout.

Last year when I spoke on the bill, I pointed out at that time that 56 foreign nations were participating in some phase of the handout program. I do not believe that any Member of this body could conceive that additional nations would be brought into the program. However, this year the Foreign Operations Administration managed to pick up 5 new nations, so in the bill before you there are funds of some kind for 61 nations of the world.

You will hear the same argument advanced this year in favor of the bill that you have heard in the past, that the funds requested are in the interest of our own national security, but according to developments of the past few months it would not appear that we have succeeded in buying friends. I think it is true that all the recipient nations of this program are accepting our money and then doing just what they want to do. Our leaders are beating their brains out trying to force some of our so-called friends in Europe to join the European Army plan, but they have not agreed to come in and, in all probability, they never will.

As I pointed out last year, the public debts of all the nations of the world combined amounted to only \$207,505,997,454, whereas, the public debt of the United States was \$266 billion. I did not attempt to bring these figures up to date this year, but it is my understanding that the public debts of some of the recipient nations have decreased, whereas our own public debt is continuing to increase. On the basis of our present public debt of \$270 billion, our public debt is approximately \$63 billion more than the combined public debts of all other nations in the world. Now, if we pass the bill before you, it simply means that the Foreign Operations Administration will have available to spend \$12,605,419,979, broken down as follows:

| | |
|--|-----------------|
| 1. Obligated but unexpended..... | \$7,397,000,000 |
| 2. Unobligated funds on hand from prior appropriations allowed by the committee..... | 2,312,475,979 |
| 3. New appropriation..... | 2,895,944,000 |

This makes a grand total of \$12,605,419,979 in the Foreign Operations Administration's handout bag.

It is still being argued that the bill does not now provide for too much economic aid; it provides military aid. But so far as I am concerned it is the same thing. If you pick up the foreign nations' expense checks on military, you leave their own revenues available for

economic aid. So, in reality, it adds up to the same thing.

There were encouraging rumors in both branches of the Congress last year that that would be the last big handout for this worldwide spending program, but evidently something has happened because we have broadened many of the programs and brought in new nations. In my considered judgment, we have allowed something to be brought into being that will not be stopped until our own economy has been wrecked.

I hope that the House in its wisdom, since it is determined to pass this measure, will at least endeavor to reduce the total amount available to \$12 billion. This would be a reduction of \$605,419,979. On this basis the Foreign Operations Administration could operate full steam ahead for about 4 years. When the House passes this bill, it is my sincere wish that the House insist that its position be maintained. You will recall that last year after we passed the bill, the other body raised the House figure in excess of one-half billion dollars. By referring to the unobligated carryover, it is obvious that it was a mistake to accept the higher figure of the other body last year.

Mr. WOLVERTON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Chairman, the appropriation provided for in this bill, making appropriations for mutual security for the fiscal year June 30, 1955, H. R. 10051, appropriates a total of \$2,895,944,000 new money, and in addition a total of \$2,312,475,979 of unobligated funds are continued available. This constitutes a total of \$5,208,419,979.

The moneys appropriated by this bill, we are told, will be dispersed in 61 different countries throughout the world. Is it any wonder that we have an unbalanced budget and continuing heavy burden of taxation to be carried by our people. Why is it necessary that we should continue to disperse the funds of our people to the four corners of the world? How long are we expected to do so?

The only encouraging thing presented in the report of the Appropriations Committee is the fact that last year the bill appropriated \$6,919,572,307 and this year \$5,208,419,975. Thus there is a saving, by reduction this year of \$1,711,152,428. While there is a certain sense of encouragement in the knowledge that the sum appropriated this year is less than a year ago, yet it is discouraging to realize that we are expected to appropriate the huge sum of \$5,208,419,975. This is a tremendous sum of money. I do not believe that many of our citizens fully understand how great it is. Let me illustrate in a very simple way that will be easily understood and readily remembered. Consider for a moment that a person was born in the time of Christ and received \$1 for every minute of time from then until the present, and was able to keep each of those dollars, do you

realize that the total of this time would be slightly less than \$1½ billion. Consequently in this bill we are appropriating what amounts to approximately \$4 for each minute of time in the last 1,954 years. Do you agree with me that this is a tremendous sum? Do you not also realize that if we cut the proposed appropriation in half it would just about enable us to have a balanced budget?

Let us look at it another way, to wit, from the standpoint of what it could provide for our own people. An appropriation of \$5 billion spent in the United States, instead of in countries all over the world, would pay for the construction of 2,500 hospitals, costing \$2 million apiece, or 5,600 school buildings at a cost of \$1 million each, or 10,000 such schools if the cost was \$500,000 each. Think of what it could do in terms of the necessities that exist in this country of ours, nursing homes, hospitals for the chronically ill, diagnostic and treatment centers, facilities for the rehabilitation of handicapped persons, and all the other and varied uses of a worthwhile character. Consider also for a moment the reduction in Federal taxes that could be given to persons of low income and to others as well, or the vocational and college educations that could be given to worthy young people. The uses to which these moneys we now send abroad, could be profitably spent in this country in promoting the welfare of our people are limitless.

In making this statement I am not insensible to the fact that there may be justification in some instances to appropriate funds for use abroad, but I do contend that it is neither right nor just to spend abroad with such a lavish hand that we are thereby prevented from doing so many of the things that we acknowledge are necessary to promote the welfare of our people. Living conditions in many of our large cities, and smaller ones as well, are in many instances appalling, and yet these slum conditions are permitted to exist year after year because of lack of money to finance their eradication.

We are told that the appropriation of these vast sums of money, such as in this appropriation bill, are necessary to stem the tide of communism and to give us national security. If that be true then we are either not spending enough abroad or wasting what we do spend. Notwithstanding we have in the last few years expended upwards of 40 or 50 billion dollars for this purpose, we are faced with the fact that communism continues to gain. Within recent days the Communists have taken over a good part, and, the best part of Indochina, with 11 million of its people, although we have spent more than a billion dollars of our money in supporting the French. Today, notwithstanding the billions of dollars we have poured into France and Italy, neither of them has entered into EDC, designed to strengthen European defense against communism. Furthermore, notwithstanding the billions of dollars we have given to England, it is constantly seeking trade with Russia, and demanding that Red China be permitted to join the United Nations although its hands are red with the

blood of American boys shed in Korea. All of this proves to me that the policy of giving, giving, and still giving has gotten us nowhere in getting real genuine friendships to the extent that we had a right to expect. And I am fearful that as time goes on, and, each of the nations become stronger, they will forget us and our generosity in the hour of need. I hope that such will not be the case, but there are sufficient indications that create at least just grounds for real fear that such might be the case.

America cannot afford to continue to spend as it has done in the past. We must give serious consideration to our financial stability. If we fail there would be chaos in the world. Therefore, we must make sure that we can do all we would like to do. Our national security demands that we remain financially strong. To be otherwise is to jeopardize our future usefulness. America must remain strong and it is our duty in this day and generation to do our part to so maintain it. Let us with care examine the situation that confronts us and make certain that we can in justice to ourselves as a nation do what is now requested.

The task of acting wisely is extremely difficult because so many elements of information are not available to us. Time and again during the debate it has been made plain that important information, that has a direct bearing upon the subject, has not been included in the printed hearings because of security reasons. Thus, it is necessary to take much on faith. Faith in the persons who are in a position to know all the underlying and secret information. In this category is our President. It would be foolish to think that he does not have much more information than the individual Members of Congress. Furthermore by reason of his long experience in Europe, as the commandant of the allied armies, and his subsequent contact with all the leaders of the nations of the free world, it must be assumed that he knows all the material facts. Thus it comes down to a question of whether you have confidence in President Eisenhower. I have such confidence and in the final analysis will support this legislation because he has asked for it, but, I am personally of the opinion that we must continue a close examination during this present fiscal year to the end that appropriations of this character shall be greatly lessened or curtailed next year.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, like my respected colleague and friend who preceded me, I have the greatest of respect for every member who serves on this subcommittee. And, like him, the comments that I intend to make are made entirely because of my strong feeling with respect to this appropriation and because I believe that it is my responsibility to express a minority point of view that needs to be called to the attention of the members of this committee.

Mr. Chairman, I voted for the foreign-assistance program back in its inception in 1947, and I continued to vote for the

authorizations and continued to vote for the appropriations until the time came when I realized that among those who were responsible for this program there was no intention of ever bringing it to an end. Then I stopped and I voted against the authorizations and the appropriations just as I intend to vote against this appropriation when the roll is called here today.

In 1950 I served as a member of a committee of Republican Members of the House which issued a policy statement in which we said, in essence, that we approved of a program of this kind provided we could see the end to it. And, I submit to you that if we permit this to continue in the scope that is contemplated in this bill, you cannot see the end to it any more than I can see the end to it.

I have no quarrel with those who believe that a program of this kind is justified, but I do very strongly believe that with this program, in this scope, which virtually writes a blank check for the distribution of funds to 61 nations throughout the world, that we, feeling a responsibility for the appropriations of this Government, cannot in good conscience continue to support it.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Ohio.

Mr. VORYS. Does the gentleman see any end to the Soviet plan of aggression and infiltration all over the world?

Mr. DAVIS of Wisconsin. No, I cannot say that I can see any end to that program.

Mr. VORYS. Does not the gentleman believe that our resourceful and courageous resistance to that program should not end until their threat of aggression ends?

Mr. DAVIS of Wisconsin. I said I have no quarrel with those who will support a program, but I do quarrel with those who expect the Committee on Appropriations to write a blank check for the executive department to distribute among the nations of the world. I cannot help but believe that thinking prevails here similar to the kind of response that we got in our Subcommittee on Military Construction about a month ago when we had under consideration a joint construction program with another nation; we tried to find out the basis upon which the cost of that should be shared. The answer that I got, in response to an inquiry, was, Well, they are going to contribute up to the limits of their economy and then we are going to come in and finance the balance of it.

That kind of thinking has no place among those who would spend the resources of a nation whose financial condition is that in which we find ourselves. If we are to measure the ability of this Nation to contribute in relation of the debt of our Federal Government to the gross national product of our country—and evidently that is the standard that is used by those who try to figure out the contributions we are supposed to make to these various international organizations, let us do a little comparing here.

The Federal debt of the United States, as of the latest figures that I could get,

is 74 percent of our gross national product. Italy's is 36½ percent. Norway's is 53.3 percent. Spain's is 26 percent. Belgium's is 67 percent. Denmark's is 33 percent; France's 37½ percent; Germany's 32 percent; Israel's 85 percent; Turkey's 22 percent; Japan's 12 percent; the Philippines 10 percent; Brazil's 7 percent; and Mexico's 4 percent.

In other words, among those nations for which figures were made available and some others that I computed from other figures that were made available, I could find only three nations among those that were so considered in this program that had a greater proportion of their gross natural product involved compared to the debt of the central government. Those were the United Kingdom, Israel, and the Netherlands. If that is to be the standard of the ability to pay, all the rest of the civilized world is in a better condition to contribute than is the Government of the United States.

No one will deny—at least I never heard anybody on the Committee on Appropriations deny—but what the obligations within this program have been very sloppily handled. No one will deny—at least I have never heard anyone on the Committee on Appropriations deny—that if we were confronted with any other program than this, where there was enough money unexpended to carry on the program for 2 years at its accustomed rate without a new dollar being appropriated, enough money unobligated to carry on the program in accordance with the way they anticipated carrying it on for a half a year on unobligated money without a new dollar, I do not think anybody will deny but that we would take a very long look at that kind of a fiscal situation before we even thought of adding additional billions of dollars to the pool, as is contemplated by this measure.

Oh, I could point out some specific things. I could mention, for instance, a program to assist Denmark to increase its productivity and improve management and marketing techniques. Out in our dairy section of the country, at least, we have already learned a great deal about management and marketing techniques, such as cooperatives, and things of that kind, from the Scandinavian countries. I do not know why we should be assisting them in learning marketing techniques when already they have dominated the market of continental Europe for bacon and dairy products.

It reminds me of the project of the previous administration of bringing people from the governments of Europe over here to teach them how to balance the budget.

At the proper time it is my intention to offer 2 amendments to this bill, one of them to reduce the unobligated balances for military assistance by \$300 million, and the other to reduce the appropriation of new funds for southeast Asia and the western Pacific by \$212 million.

To my way of thinking, and I offered these same amendments in the full committee, these are closely related amendments. They are based on developments

in Indochina and in Europe which occurred after these justifications were prepared and after the majority of the consideration of the request was made by the subcommittee.

I know that all the arguments of psychology and fear will be used against those amendments, but I do not think responsible Members will deny that we certainly do have a responsibility when justifications are submitted to the Appropriations Committee on one basis, to take another look at the amount of money involved in that kind of appropriation and have a rejustification based on the new concept as a result of things that have happened within the course of the last week, before we ought to go ahead and appropriate this kind of money.

I do not say they will not spend every dollar of this money in those areas of the world that are included in here, but I do say that the Appropriations Committee might just as well close up its books and go home if we are going to appropriate the same kind of money for an entirely new purpose as was contemplated at the time these justifications were submitted to us.

I simply do not believe the Appropriations Committee or the House of Representatives should write that kind of a blank check.

Mr. GARY. Mr. Chairman, I yield 45 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, our form of government is unique in the history of the world. Never before have any people governed themselves so successfully with such universal diffusion of equal benefits to all.

And our international relations with the other nations are likewise exceptional. From the earliest dawn of recorded history nations have sought to conquer and subjugate their neighbors and appropriate their wealth and territory. But the United States, for the first time in the annals of mankind, has fought no wars of conquest, has sought no advantage at the expense of sister nations. On the contrary, it has endeavored to bring to every people in every land the liberty and prosperity of its republican form of government and its democratic institutions.

When the incalculable riches and potential wealth of the Philippines were thrown into our lap, we spent billions of dollars in rebuilding their cities, establishing their financial system, rehabilitating their agriculture, modernizing their school system, humanizing their industrial relations, and then, without the retention of a single dollar in value or trade advantage, we introduced the new republic to full-fledged membership in the sisterhood of nations.

When Cuba, the pearl of the Antilles, was ceded to the United States and both Cuba and the world took for granted that this great territory would be promptly annexed as a part of the Republic, we made them a free people and established them as a free and independent nation.

For more than 100 years, we have been sending missionaries to China, India, and Burma carrying the Gospel of the lowly

Nazarene. Hundreds of millions of dollars have been spent by our churches and church people, disseminating the message of good will and peace on earth, and with its medicines and surgical skill and sanitation to alleviate physical and mental as well as spiritual maladjustments.

They took our free rice and free hospitalization but today after more than a century of unselfish service and sacrifice there remains hardly a vestige of the faith or of the vast sums contributed, often in pennies, by the church people of America in response to the divine command, "Go ye and teach." And in no lands is there more bitter criticism of the United States than in China, India, and Burma.

In recent years we have donated to Europe, at the expense of the American taxpayer, such astronomical sums as stagger the finite mind of man. In addition to the huge contributions of the American people to the First and Second World Wars, they have given since the end of World War II alone, more than \$50 billion. When the \$16 billion appropriated in this session of Congress are added, we will have sent across to allies in 8 years in excess of \$66 billion. And communism in Europe and Asia is today stronger and more insolent and more dangerous than ever. We have given, in our efforts to preserve the peace of the world, the largest sums ever given by one nation to another. And we are the most hated nation in the world today.

It was American armies, American ships, American arms and American food that won the First World War. Again in World War II it was American men and materiel—American dollars and diplomacy that saved England, France and Russia. London was in conflagration. The enemy was hammering at the gates of Stalingrad. The heel of Hitler was on the neck of France and his armies were in complete and undisputed control from the English Channel to the Mediterranean. None of the three could have survived without us. But today instead of Uncle Sam it is Uncle Sucker.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. If the gentleman will permit me, I will finish my statement and then I will be delighted to yield.

Mr. JUDD. My purpose is to call attention to the French nurse who is in the gallery.

Mr. CANNON. I yield to the gentleman.

Mr. JUDD. Mr. Chairman, I appreciate the gentleman's courtesy in permitting this short interlude. One of the things that always thrills everybody in the world is courage and devotion to duty, especially when under most trying and dangerous circumstances. I appreciate the opportunity to call attention to the presence in our gallery—

The CHAIRMAN. The gentleman from Minnesota will suspend. The Chair regrets extremely—

Mr. JUDD. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. The gentleman may not proceed out of order for the

purpose which he manifestly intends to use the time. The Chair regrets extremely that he must so hold under the rules of procedure of the House. We are all conscious of the great heroism of the person to whom the Chair knows that the gentleman wishes to allude, but it is a matter of extreme regret that because of the rules of the House, reference may not be made to anyone in the gallery.

Mr. JUDD. I shall not say anything about the gallery. I shall say she is on the Hill today.

The CHAIRMAN. The Chair greatly regrets that under the rules of procedure of the House, the gentleman must be denied the privilege of introducing anyone in the gallery which, I know, every Member of the House would greatly appreciate in this instance, if it were possible under the rules.

Mr. JUDD. Mr. Chairman, I had no intention of introducing anyone in the gallery. Is it not possible to refer here to persons who are in our country?

The CHAIRMAN. It is not possible to refer to any person in the gallery.

Mr. JUDD. May I not call attention to a most distinguished visitor in our country today?

The CHAIRMAN. The gentleman may refer to one who is in our country.

Mr. JUDD. Well, then, I should like to refer to the distinguished heroine of Dien Bien Phu who we, in the United States, are happy these days to welcome to our shores and to our city, and to pay tribute to her as a person whose heroism is acclaimed by all, and as a symbol of all women of the world who in times of great crisis and peril are faithful to their duty, particularly that of ministering to men wounded in the defense of freedom. We pay tribute to her wherever she may be in our country at the present moment.

I thank the distinguished gentleman from Missouri for yielding to me.

Mr. TABER. Mr. Chairman, I yield 14 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I welcome this opportunity to bring to the membership of the House some of my observations, ideas and recommendations regarding the agricultural technical assistance program carried on by the United States Government in foreign areas. This program involves the expenditure of a considerable amount of money—American taxpayers' money—which makes it a matter of vital interest to this body.

POINT 4 PROGRAM—AGRICULTURAL TECHNICAL ASSISTANCE

Agricultural technical assistance work and agricultural matters, generally, are of great concern to me, representing as I do, one of the most productive and diversified agricultural areas in America, and serving as a member of the House committee on agricultural appropriations.

Agricultural technical assistance is an important part of the so-called point 4 program, which our country launched upon the world 5 years and some months ago—the proposal that the United States and other industrially advanced nations should pass on their skills and, as far as

possible, their surplus capital to underdeveloped countries.

Secretary of State John Foster Dulles has stated that the time has come for an agonizing reappraisal of American foreign policy. The point 4 program is a part of our foreign policy. It is my opinion that this program is itself in need of reappraisal. Some very realistic thinking is in order. A new impetus is urgently needed if the whole project is not to wither away.

COMMITTEE INVESTIGATIONS

It was my privilege last fall, together with four of our colleagues, to participate in a tour of inspection of some of our foreign aid operations, particularly the agricultural technical assistance phase of the foreign aid program. Mr. H. CARL ANDERSEN was chairman of our group. Others were Messrs. BEN F. JENSEN, CHARLES W. VURSELL, and MELVIN R. LAIRD.

Our trip commenced September 4, on which date we sailed from New York, and ended November 16 with our arrival in San Francisco. Twenty-four countries in all were visited by one or more members of the party. I personally visited England, France, Belgium, Holland, Germany, Turkey, Lebanon, Syria, Jordan, Israel, Pakistan, India, Thailand, Hong Kong, Okinawa, Korea, and Japan.

In passing upon the expenditure of funds for our Government's activities, it is very helpful for one to be able to see with his own eyes just how those activities are carried on. A Member of Congress, sitting in a committee room, has, for the most part, only the testimony of employees of the executive branch of the Government upon which to base his decision as to how much money should be appropriated for this or that activity. Without intending to reflect adversely on the integrity or veracity of such individuals, it is a fact that they are subconsciously, if not consciously, possessed of a prejudice in favor of the respective governmental functions in support of which they appear. It is, therefore, extremely helpful for members of the Appropriations Committee, who have the responsibility for appropriating money for the activities of Government and allocating available revenues in as fair and equitable a manner as possible among such activities, to get out and see firsthand what is actually being done with the taxpayers' dollars. Not only is such procedure revealing in itself, but it enables a Member to better understand and more accurately evaluate the testimony which is presented at committee hearings.

An equally important benefit resulting from the type of investigation which we made is that it affords one a relatively broad and current perspective of the total world situation, thus providing guideposts by which to judge how best to cut the budget pie in support of our Nation's activities abroad. Lack of such perspective is an occupational disease with many of our Government's overseas representatives. The virus is strong and persistent. With rather infrequent exception, each mission tends to favor and support the position and demands of the

country in which it is situated. To illustrate, we found the general feeling among our people in Pakistan to be that Pakistan was receiving less than its fair share of aid in comparison with India. In India, however, our mission representatives were convinced that India, rather than receiving an unduly large share of foreign aid funds, was, in fact, not getting enough and that the existing ratio of grants between the two countries favored Pakistan.

IMPORTANCE OF QUALITY IN PERSONNEL

I wish to stress the paramount importance of quality control in the selection of personnel for foreign agricultural assistance work. Our reputation as expert in the field of agriculture and the acceptance of our ideas and practices rests largely in the hands of the people we sent abroad. If they perform well, our reputation is maintained and enhanced. Our ideas and practices will continue to be accepted. If they fail, no matter how well we may do here at home, our reputation abroad is impaired. One is reminded of the old saying, "One rotten apple can spoil the whole barrel."

Certain qualities are required of technical assistance personnel in foreign areas. They are technical knowledge, adaptability to environmental changes, and ability to work with and get along with people.

Unfortunately, there has not been enough quality control. The situation was aptly described to me by a member of one of the technical assistance missions. When the program was conceived, someone must have rolled out a map of the world and covered it with pins, each pin representing a project. No one thought to first ascertain whether expert personnel was available to man these projects. Furthermore, no one thought to ascertain whether the foreign countries embraced by the scheme were really in favor of those projects set up within their respective boundaries.

The result has been more than a few square pegs in round holes and noticeable impairment of America's reputation in the field of agriculture. It is bad enough that some have been found temperamentally unfit for foreign service. It is inexcusable that a considerable number do not know their subjects.

I would be less than fair, however, if I did not state that by far the majority of our Government's representatives abroad are sincere, industrious individuals working, in many cases, under adverse circumstances. While we found some evidence of rather plush living, many of these people are living under conditions definitely below American standards. It takes more than a little fortitude to stick by a job when a young son is stricken with trachoma, the wife is afflicted with a serious eczema, and you yourself are besieged with dysentery. This I have seen.

The program has been greatly in need of tailoring, and happily that is taking place, though not as rapidly as some would hope. There is need for emphasis on quality and achievement—not mere coverage of the map. It is better that a slot not be filled at all than to fill it with someone who will not or cannot do the

job right. The stakes involved are too high. We need the best. The people we are trying to help do not possess our technical skills, but they are very capable of quickly discovering whether or not an instructor we send them is himself skilled. If he does not know his subject, their faith in us is shattered, and suspicion as to our motives is aroused. We must be careful not to make the program a refuge for misfits or a rest home for the aged.

LENGTH OF ASSIGNMENT

A factor bearing on the matter of quality and effectiveness of performance is that of length of stay on an assignment. Two years of duty is standard at the present time. This, in many instances, is not long enough. Most missionaries stay out 6 years or more on a particular assignment. Of course, there is a danger, also, in remaining away too long. As Congressman WALTER JUDD, of Minnesota, a former medical missionary to China, once told me, "No missionary to China should stay out more than 10 years. After that, he begins to think and even look like a native."

PROGRAM NEEDS LIMITING

There is a tendency for a program such as agricultural technical assistance to become enlarged into a worldwide WPA. It has been my observation that the real friends of the program desire to limit it to its original purpose of sharing our technical skills with people in underdeveloped areas, with materials and equipment being provided for demonstration purposes only. There are those that feel otherwise, of course. They would like to capitalize these areas—provide each farm with a tractor, a plow, a well, and a pump, and furnish fertilizer for every acre of soil. Such an approach to the problem is not only inadvisable, but impossible.

In the first place, experience shows that whereas gifts and loans are as likely to make enemies as friends, true understanding between nations often begins when men work together with their coats off at a common task. Secondly, the presence of foreign advisers is neither as humiliating nor debilitating to a poor country as other forms of aid can be. Thirdly, it is difficult to justify a program of foreign economic assistance, including such projects as dams and reservoirs for flood protection, irrigation, and electric power, at the expense of American taxpayers, when in order to balance our Federal budget we must deny funds for much-needed public works projects in our own country.

DEMAND FOR CAPITAL GOODS

We found that foreign countries are not the least bit shy about asking for American aid for capital expansion. I recall our visit to the Lebanese Agricultural Research Center at Terbol being built cooperatively by the United States and Lebanon. In Lebanon, we are providing expert services and demonstration equipment and materials. We were gathered together at the research center, exchanging amenities, when the Secretary of Agriculture of Lebanon spoke up to thank us for our help. He went on to say, however, that "telling them how"

was not enough. What we should do was to provide the tractors, plows, and so forth. We should make them available free of charge, of course.

The underdeveloped countries of the world are not completely devoid of capital nor are they incapable of producing new capital.

Situated near the Lebanese Agricultural Research Center are the famous ruins of Baalbeck, constructed by the Romans, including the famous temples of Jupiter and Bacchus. It is a gigantic public-works project. Nothing has been constructed before or since in that region to equal it in size and grandeur. Still standing are columns of marble, weighing 20 tons, quarried in Egypt, transported down the River Nile by barge, then by ship along the coast, finally over land on log rollers to the project site. All this, nearly 2,000 years ago, and all with local labor and materials. And, as our guide, a local citizen, facetiously remarked, "It was done without point 4."

In the city of Beirut, I talked with a wealthy Lebanese, who lived in a mansion lavishly furnished, the like of which is seldom to be seen even in the United States. He was one of those who bemoaned the fact that Lebanon could not afford to buy the capital items which were needed if that country's agricultural production was to be materially increased. Therefore, he argued, the United States should make a gift of same.

I would have been far more sympathetic to the gentleman's plea if it had not been for the fact that he paid far less income tax than I, although he was many times wealthier; further, that he was unwilling to invest any of his own wealth in Lebanese agriculture. Instead, he kept his assets in such forms as inventories, Swiss bank deposits, and United States securities.

Why, I ask, should American citizens be taxed to capitalize Lebanese agriculture, if the Lebanese themselves, even when able, are unwilling to do so?

EFFECT OF PROGRAM ON OUR OWN ECONOMY

In our enthusiasm for the foreign agricultural technical assistance program, we must not lose sight of the fact that it is not an end in itself. It is justified merely on the basis of its value as a factor in advancing the well-being, prosperity, and security of the American people. For that reason, it is necessary that we carefully evaluate each part of the program in terms of not only the improvement brought about in the economic conditions of the people of foreign nations to which aid is given, but also in terms of the favorable or adverse effect on our own economic life.

At home we are faced with a very serious problem in managing and disposing of agricultural surpluses. Our farmers are producing more food and fiber than can be consumed in the domestic market. Exports are down considerably due to both new and restored productive capacities in other countries.

Investments of the Commodity Credit Corporation in surplus commodities now total close to \$7 billion. The statutory limit is \$8½ billion. Because it is very possible that that limit will be exceeded before Congress convenes next January,

the Secretary of Agriculture is asking that CCC lending authority be increased to \$10 billion.

There is within the Department of Agriculture an agency known as the Foreign Agricultural Service. This agency has a number of functions, including participation in an advisory capacity in the foreign agricultural technical assistance program. Another function of this Service, and at the present time the most important and most urgent, is to find a home abroad for American agricultural products. The first function named must not be allowed to defeat the second. This can happen, however, unless changes are made in the course of the technical assistance program as it is currently charted.

One of the most interesting projects being undertaken in India is the Bhadson pilot extension project. This project is located in the state of Pepsu. Inaugurated in 1953, it is one of a number of Ford Foundation projects being run in blocks of approximately 100 villages each in different states.

The Bhadson project receives United States Government aid in the form of agricultural experts; equipment, such as wells, tractors, plows, and so forth; and materials, such as fertilizers and insecticides, and so forth.

The cotton extension work is one of the special features of the Bhadson project. Efforts have been concentrated in replacing indigenous varieties with American, and popularizing the method of line sowing to decrease the cost of cultivation; also, the use of fertilizer and irrigation water to supplement natural rainfall. The results are astounding. American varieties have almost completely replaced the native stock in 2 years' time. Staple length and yields have increased 100 percent. In addition, the acreage has doubled in this particular project area. The Pepsu state director of agriculture advised me that there are almost a million acres of land that can be reclaimed in Pepsu alone.

India has been raising about 4 million bales of cotton a year and consuming about 5 million. Because of the very short staple length of its indigenous varieties, it has had to import considerable quantities for its textile industry. The United States has shared in that business. What will be the effect of the introduction of improved American varieties, increased acreage, and better farming practices, brought about in substantial measure as a result of American aid? The answer is painfully clear. Imports of long staple cotton from the United States will decrease and eventually disappear. It is an open and declared policy of the Indian program to make India self-sufficient in long staple cotton. But, will India stop there, once her cotton production has gotten into high gear and becomes competitive? More than likely, she will go on to become a long staple exporting country, in which case, she will compete with the United States for the British, French, German and Japanese markets. With cheap labor available, India stands an excellent chance of taking over those markets. As this occurs, more and more

American farmers will have to get out of the cotton business. Domestic production is even now being greatly curtailed. California cotton farmers, for example, are this year required to reduce their acreage 34 percent below what they planted last year.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the distinguished gentleman from Minnesota and my chairman on the Subcommittee on Agricultural Appropriations.

Mr. H. CARL ANDERSEN. The gentleman from California [Mr. HUNTER] was of inestimable value to our subcommittee last fall in our trip to the Near East, India, and Pakistan, when we looked over this very situation. The gentleman from California [Mr. HUNTER] was a very interested observer and made notes continuously. From that knowledge he is today well versed in what he is presently informing the House. To what extent are we, as Representatives of the taxpayers of the United States, justified in going in voting for money for development assistance to other nations which might later on result, as the gentleman from California has so well said, in losing what markets our own people have established there through years of endeavor?

The gentleman from California [Mr. HUNTER] is always trying to look out for his own people's interests, and I wish there were more of his caliber and clear thinking in this Congress. I am personally proud that he is upon my Subcommittee on Appropriations for Agriculture. He has performed splendid work in behalf of agriculture upon that committee.

Mr. HUNTER. I thank the gentleman from Minnesota.

Last year Turkey produced about 750,000 bales of cotton, of which she will export around 500,000. Her principal customers are Germany, France, and Italy. Negotiations with Japan have been undertaken. Cotton production in 1949 was about 300,000 bales—approximately half what it is today. The big jump came in 1950, when the world price of cotton skyrocketed. That, plus United States aid, are the principal factors responsible for Turkey's rapid and substantial increase in cotton production.

In 1951 Turkey was a wheat-importing nation. Today she is the world's fourth largest exporter of wheat. She hopes to export about 75 million bushels out of the 1953 crop.

Turkey has a good raisin crop. This has been encouraged by the substantial government assistance to raisin growers. The Turkish Government guarantees a price of \$200 per ton to producers and, in addition, in order to develop an export market, is offering an export subsidy of \$60 per ton. This is \$20 per ton higher than the subsidy paid by the United States Department of Agriculture to American raisin growers. Turkey most certainly could not afford such a program were it not for the fact that since 1948 the United States has spent more than a billion dollars in aid programs in that country. As a result, Germany, for example, is now buying raisins

from Turkey to supply needs which were once met in large part by California producers.

We find that in helping other countries to improve the standard of living of their peoples by increasing their agricultural and economic production, we not infrequently cause disruptions in our own domestic economy, which will require major adjustments. I repeat: It is, therefore, necessary that we carefully evaluate these programs in terms of not only improvement in economic conditions of the people of foreign nations to which aid is given and the consequent benefit to us, but also in terms of the favorable or adverse effects on our own economic life. This, most certainly, is a difficult task. Nevertheless, it must be undertaken.

The natural tendency is toward increased production of cash crops, such as cotton. Granted, great and needed benefits—these countries need more foreign exchange—are to be derived from such production, yet the more acute need of most underdeveloped areas, particularly India, is for increased food supplies for domestic consumption. Let us direct our efforts, therefore, toward meeting that need. This we can do with less disruption of American agriculture.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Illinois.

Mr. SPRINGER. May I comment on what the gentleman said about our technical assistance abroad producing surpluses in those countries which are in direct competition with ourselves. I think all of us are in sympathy with the idea of producing for those people to raise their standard of living. However, last year I found out in Western Germany, which had always been a market for corn for us for the past 5 years, that for the first time that market was taken over by Turkey. In 1950 under our Technical Cooperation Administration we set up six large hybrid corn stations in Turkey. Ten years ago an export of corn from Turkey would have been unheard of. For the first time, 3 years later, we find that the export market from Turkey was taking up the export market of the United States by the program which we had fostered in Turkey itself. I merely call that to the attention of the House for what it is worth.

Mr. HUNTER. I thank the gentleman for his contribution.

FAILURE OF OTHER COUNTRIES TO FOLLOW OUR TECHNICAL ADVICE

Apropos my remarks relative to the necessity of getting the best people—people who are really expert in their respective jobs—it is equally necessary that we insist that their advice and skills be followed and employed. This has not always been the case. From reliable sources, I was advised of the following situation in India, and I quote from the report given me—it relates to the waterwell project:

I was shocked by the fact that the Indians were wasting most of the money we were giving them, and went to the TCA office in New Delhi to see what could be done about it. I complained that the methods

of drilling were wrong, that the specifications were entirely inadequate and impossible to bid, that the Indian officials were stubborn and refused to consider modern techniques, that a ring of professional informers were shaking down bidders for the inside information they were able to peddle from high Indian officials and a host of other similar complaints.

I was told very frankly by two gentlemen in charge of the project for the American Government that they didn't give a darn how inefficient and corrupt the Indian Government was, their job was to spend \$65 million and thus stabilize the Indian economic position. It was stated very bluntly that the policy was to shovel the dollars into India until Stalin hollered "Uncle."

When I carried this complaint to Mr. Wilson, who was in charge of the whole TCA program, he seemed unable to cope with the situation and stated that he had not known that his technicians were incapable of drawing proper and adequate specifications, but that perhaps after all it was not so important that the specifications be correct or the wells even be efficient, but rather that we maintain a friendly status with India. He implied that it was the administration's policy not to cross the Indians at any point nor to deny them the right to use our gift of money in any way they might see fit.

The group of three men who were to administer the tube-well project consisted of a civil engineer from the Indian service, who admittedly knew absolutely nothing about hydrology nor well drilling nor pumps, who was the chief engineering adviser to the mission; a Bureau of Reclamation technician who had done some design work on canals and lateral ditches, and a law technician from the Bureau of Reclamation who had spent most of his time in writing contracts for the Bureau. In desperation, we put these gentlemen under considerable pressure and they admitted that they were just going along for the ride and were neither competent to administer such a program, nor were they there for that purpose. Their whole assignment was to keep the Indians happy and their hands were absolutely tied if any matter of crossing the Indians should come up. They admitted that they were making more money in India than they could possibly make in the United States and that they intended to be good boys and keep the job as long as possible.

The fundamental purpose of our technical-assistance program is to pass on to countries like India such of our skills as they do not possess or which they possess to a lesser degree. If our advice is not to be followed, then the program is not one of technical assistance. We are not helping other people to improve their ways of doing things—we are merely carrying on a foreign WPA. Instances of failure of the Indian Government to accept modern United States specifications and techniques in connection with waterwell development are numerous. For example, Indian officials have insisted on seamless alloy pipe. Hard water attacks alloy steel much more readily than ordinary carbon steel. That is why in the San Joaquin Valley of California, where water and soil conditions are much the same as in the Ganges River Basin, ordinary flat sheets of carbon steel are used in the fabrication of well pipe. They last longer and they cost less.

APPRAISAL OF PROGRAM

To appraise the technical-assistance program is to ask why it is carried on

and thence to determine whether the answer to that question coincides with what has occurred. We are embarked on this program because we believe it to be our humanitarian and Christian duty to help our less fortunate fellow human beings to a better way of life. As a consequence of building up the economies of their countries and raising their standard of living, we hope that they will become our customers and friends. We further hope that they will repudiate communism and support democracy. Without question, the program has helped many people; it has helped to increase their standard of living by increasing their productivity, which, in turn, has provided them with the means of buying from us.

Has the program, however, won us the friends we expected, and has it been successful in combating communism? The record in this regard is not good. Ironically, the years since point 4 was inaugurated have been years of unprecedented tension between those nations who contributed most and those that have benefited most.

In the 3-year period which ended June 30 of this year, the United States spent or obligated close to \$200 million for economic aid and technical assistance to India. Notwithstanding this demonstration of generosity and friendship on our part, India has remained neutral in the conflict between the Communist countries and the free world. At best, India can be classified as no more than non-Communist. And, despite the friendly attitude of many officials at the lower level of government who are working with American technicians to increase India's agricultural production, our political relations with India at the top level of government have worsened in the past 3 years. That is the opinion of Foreign Service officers stationed in India, with whom I discussed the situation.

The lesson to be learned from our experience in India is that economic aid and technical assistance do not necessarily make friends of politicians and that politicians, for better or for worse, determine the course of a country's affairs. The situation recalls to mind a conversation I had with a United Nations official in the Middle East and a refugee from Poland.

It is foolhardy—

He declared—

to treat your economic-aid program entirely separate from politics. Your purity of motive is not understood, let alone appreciated. You are as likely as not to build up an enemy instead of a friend. Do not give economic aid unless in exchange you gain a political advantage. After all, a favorable political situation is your primary object.

There is much of the truth in the gentleman's statement, yet time and again, I heard the remark made by our people that we must not demand political concessions in return for our assistance.

Merely raising a country's standard of living will not protect us against communism. Communism does not come from an empty stomach. It is more correct to say that it comes from an empty soul. Only in the sense that an empty stomach produces dissatisfaction with

the status quo does it aid and abet communism, and then only when the political opportunity is afforded. Communism comes to a country as the result of revolution accomplished by a Communist element within its borders and/or conquest and occupation by a Communist foreign power. A full stomach, on the other hand, is no guaranty against communism. Communism persists at all economic levels. Witness the existence of Communists in our own Government. Witness the well-fed Hollywood writers who have embraced the Communist cause. The French people eat as well as most anyone in the world. They have a country rich in natural resources, fully capable of supporting its population. Yet a great number of French citizens vote the Communist Party ticket.

Actually communism is making the least headway in the poorest, most illiterate and backward areas of the world. Experience with communism, if anything, makes one thing clear—education and a full stomach are not guaranties against the acceptance of communism. India might well be more susceptible to communism and a greater threat to our security if her productive capacity and the standard of living of her people were doubled. More important than filling the stomach is filling man's mind with the right ideas, particularly the politicians who run the country.

ECONOMICS OF FOREIGN AID

It is worthy of note that much of the impetus for a foreign aid program comes from those whose production is in excess of what can be consumed domestically. Not being able to sell the surplus abroad through normal trade channels, they favor having our Government put up the money, so that it can be given away. Under such an arrangement, they are paid full value for their production. The catch, however, is that the American taxpayers pay the bill—not the recipients of the goods.

This situation is a hangover from a wartime economy, when, for military reasons, we exported more than we imported. Our economy changed to meet our military and related needs. Capital and manpower switched from production for domestic requirements to production for export in the prosecution of the war.

With the war's end, the Marshall plan, of which the present program is but a continuation, was inaugurated. This has permitted the unbalance of trade to continue. The justification for such unbalance rests on humanitarian and security grounds.

Unfortunately, we are exporting much of our own wealth without receiving anything in return therefor. It is unlike the normal case of capital investment abroad made in the expectation of recoupment of such investment plus interest. In the case of foreign aid there is no return, only exhaustion.

For our own good, we should undertake to gear our exports to what can be fairly paid for in imports from other countries and devote the balance of our capital and manpower to the production

of things for use and consumption within our own country. This aside from any unbalance justified on humanitarian or security grounds.

It is economic nonsense to argue that we must keep up the foreign-aid program in order to maintain our own prosperity. Granted the need for time in which to bring about a transition without serious disruption of our economy, our own prosperity will be better served in the long run by transferring the effort now going into the production of things which can only be disposed of by giving them away abroad to the production of those things which will improve the lot of our own citizens. There is much left to be done here at home. Our roads are inadequate; we need more dams and bridges; we are short of hospitals and schools. Demand for consumer goods is still practically unlimited, given the purchasing power.

Reflecting upon our responsibilities and capacities as a Nation, one thing stands out as paramount. We can only fulfill our responsibilities and maintain our productive capacities at a high level so long as we maintain our own economic solvency. If we spend ourselves into bankruptcy and destroy our credit, our worth as a unifying and constructive force in world affairs will be nil. It is, therefore, imperative that we gear our Government programs, both domestic and foreign, to a pace which we can afford to support. There is nothing immoral about such a policy. It won't lose us friends. On the contrary, it will win us friends. Unless we live within our means, we will eventually suffer the same fate which has overtaken so many civilizations in the past. They overextended themselves and lost. Let us not let that happen to us. At least, let us not hurry the coming of such a time.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Oklahoma [Mr. WICKERSHAM].

THE INTEGRITY OF THE UNITED STATES

Mr. WICKERSHAM. Mr. Chairman, it is an old proverb that "troubles always come in threes."

We have had the tragedy of the recent Geneva Pact—through which between ten and twenty million people of French Indochina were sent down the road of no return into the living death of Communist slavery. We have tried to wash our hands of the responsibility for the Geneva mass betrayal even as Pontius Pilate washed his hand 2,000 years ago. But the guilt cannot be washed away. Although we were not parties to the pact, our State Department had a high echelon representative at the final meetings.

We have had the tragedy of the unarmed air transport shot down by the Red Chinese. True, it was a British plane. Yet, American nationals were aboard. And these American nationals are dead. In their reply to the British note of protest, the Red authorities insisted that the affair was a case of mistaken identity. This is not true. Communist pilots, who have risen so far in the confidence of their leaders as to be entrusted with a plane, only act on the specific orders of their superiors. These Red pilots were commanded to

shoot down an unarmed plane, perhaps the special plane which was shot down. The reason: To show the world how helpless the Western powers were in the defense of their citizens.

The third tragedy comes on the heels of the other two. Secretary of State Dulles has announced that American planes, while on a mission of mercy, were fired upon by Red Chinese aircraft. He further announced that our planes returned the fire of the enemy and that some of the enemy attackers were shot down.

This latest assault on our sovereignty brings us to the brink of actual hostilities. We know that the Reds were under orders to do as they did. Their leaders are responsible for their actions.

We have met force with force. We have answered them in the only language they are capable of understanding.

What shall we do now?

Will we continue to send ineffectual protest notes?

Will we refer the matter to the U. N. for action?

Will we engage in an actual all-out shooting war, with its resultant loss of life and economic disaster?

Or will our determination to meet shot with shot, fire with fire, impress on the minds of those who hold China in subjection that it is wiser to leave us alone than to meet us in mortal combat?

My heartfelt prayer is that our recent show of force will convince the Chinese Reds of our unalterable sincerity; thus affording a chance for the American people to prosper in peace.

The fate of this Nation is now in the hands of God.

Mr. TABER. Mr. Chairman, I yield 8 minutes to the gentleman from Iowa [Mr. GROSS].

(By unanimous consent, Mr. GROSS was granted permission to speak out of order.)

Mr. GROSS. Mr. Chairman, I take this time to call the attention of the House and the Appropriations Committee, to a specific instance of how a subsidiary of the United Nations, bearing the glorified title of United Nations Educational, Scientific, and Cultural Organization and the State Department has been used in an effort to discredit Members of Congress and insult the American public at taxpayer expense.

I have at hand a so-called workpaper containing a speech by one, Herman F. Reissig, who participated in the fourth national conference of the United States National Commission for UNESCO, this national conference being held at the University of Minnesota, in Minneapolis, less than a year ago, September 15 to 17, 1953.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALTER. Do I understand the gentleman to say that this man is named Herman Reissig?

Mr. GROSS. Herman F. Reissig, that is correct.

Mr. WALTER. As I recall it, he is the man who was recruiting Americans to

fight in the Spanish war on the side of the Communists.

Mr. GROSS. I appreciate the statement of the gentleman, and I think I can give him more light on Herman F. Reissig.

At other times and in other places, Reissig is referred to as "Reverend" and "Doctor."

On page 7 of this publication, which is labeled "America's Stake in International Cooperation," I quote from this speech by Reissig:

When, for example, Mr. John T. Flynn says on the radio and in print that "never in our history have the people of the United States been led into such an infamous trap as the United Nations," his kind of diatribe cannot be answered by a fact sheet on the U. N. On a slightly higher level—

But only slightly higher, says Reissig—is Senator BRICKER's proposal for an amendment to the Constitution.

Still on page 7, Reissig says:

Let us turn now to a brief examination of the overt attack on one world and its emerging institutions.

Here is the revelation that institutions are emerging and world government is on the way.

On page 8 of this same publication we find some of those who are credited with such overt attacks, according to Reissig, who says:

In the Congress JOHN T. WOOD, of Idaho, introduced a bill calling for United States withdrawal from the U. N., and Congressman H. R. GROVES, of Iowa, assures his constituents that the United States is being taken for a ride by "a bunch of foreigners."

Page 9 of this publication, printed in connection with the Minneapolis meeting of bleeding hearts for the United Nations and foreigners, contains the following:

Traveling across the country and speaking on international relations about 60 percent of my time—

Says Reissig—

there is opportunity in almost all the meetings for questions and discussion. I recall a women's meeting in New Jersey, a men's club meeting in Mason City, Iowa, a forum in Sedalia, Mo., a dinner meeting in Saginaw, Mich., a church conference in Seattle. Within the past 4 weeks, there were 26 meetings in Iowa, Missouri, and South Dakota.

In Iowa, with some trepidation—

Continued Reissig—

I mentioned the attitude of Congressman GROVES. They grinned as if to say, "We know all about him."

Balancing these facts against one another—

Continues Reissig—

my own tentative conclusion is about as follows: With the exception of a few local communities, the nationalist or neo-nationalist, hate-the-UN, go-it-alone, campaign would not, in a plebiscite, get more than a handful of votes.

But—

Says Reissig and the "but" is underscored—

this is not to say that the response of most Americans to the world situation is mature and dependable. It may well be true that, next to the Politburo, American public

opinion is potentially the most dangerous element in the world situation.

There you have it from the horse's mouth—from an officially invited speaker to one of these propaganda meetings in behalf of the United Nations and its sugary titled UNESCO—that in dealing with foreign affairs most Americans are not dependable and mature enough to think, and next to the Kremlin's Politburo, American public opinion may well be the most dangerous element in the world situation.

Apparently only Reissig and his self-anointed cohorts have the virtues necessary to deal with foreigners, and at the same time promote world government.

Who is this man Reissig, who is financed by someone or some agency, to carry the torch for the United Nations throughout this country; who was so warmly clasped to the breasts of the internationalists at Minneapolis; who makes it his business to campaign against certain Members of Congress?

On July 7, 1953, only about 2 months before the Minneapolis meeting, the House Un-American Activities Committee, received sworn testimony from a Benjamin Gitlow, who stated he was one of the leading officials of the Communist Party in the United States from 1919 to 1929.

Gitlow testified among other things that:

Dr. Herman F. Reissig headed the religious section of the American League Against War and Fascism. Dr. Reissig has a long and notorious record of affiliation with Communist-front organizations.

Gitlow then named those organizations.

The Un-American Activities Committee's records also refer to the Communist Daily Worker for March 30, 1938, page 4, wherein it is reported that Herman F. Reissig spoke at a meeting of the Communist Party held in Washington, D. C., and cites records of his activities and articles written during recent years.

Who paid for the printing and circulation of copies of the so-called workpaper presented at Minneapolis by Reissig? You do not need two guesses.

The taxpayers footed the bill because it was the State Department, using funds appropriated by Congress, that printed and distributed this propaganda.

And I would be very much surprised if an investigation did not disclose that funds from some Federal agency were made available to Reissig to carry on his insidious campaign against those who have the temerity to question the United Nations and all its works.

Mr. Chairman, there is not the slightest doubt that the State Department, within the past year, paid for the printing and circulation of at least 2,000 copies of this publication which has the unmitigated gall to insult the intelligence of the American people. I have here a letter from Assistant Secretary of State Thruston Morton, of the date of May 27, 1954, and another from the Comptroller General's Office of the date of July 8, 1954, confirming that funds of the State Department were used for that purpose.

Mr. Chairman, UNESCO and the United States National Commission for UNESCO are a part and parcel of a cleverly devised scheme to propagandize the United States into a world government and by giving official recognition to this individual by the name of Reissig, the State Department apparently is willing to use any and every diabolical means to that end.

I suggest to the Appropriations Committee that in passing upon appropriations next year it provide absolutely no funds for UNESCO or its main arm of propaganda, the United States National Commission for UNESCO. It is clear that this Commission makes no pretense of being impartial. It is clear that both the National Commission and UNESCO complement each other in that both use funds extracted from overburdened taxpayers to practice deceit, discredit, and dupe the American public.

I promise the Appropriations Committee that if reelected to Congress, I will be prepared next year to oppose any funds whatever for the National Commission or UNESCO. Both are contrary to the perpetuation of this constitutional Republic.

In the meantime, Mr. Chairman, I call upon the State Department to apologize publicly for being the means by which Reissig was aided in castigating Americans as being immature and undependable, and American public opinion as being potentially the most dangerous element in the world, second only to the Politburo.

And, Mr. Chairman, I further call upon the State Department to immediately dismiss as incompetent and dangerous the official or officials who approved the Reissig article for publication and the use of public funds in payment therefor.

Mr. Chairman, in conclusion I submit the following report from the House Un-American Activities Committee:

[Information from the files of the Committee on Un-American Activities, United States House of Representatives]

MAY 24, 1954.

For: Hon. H. R. Gross.

Subject: Herman F. Reissig.

The following information from the public records, files, and publications of this committee should not be construed as representing the results of an investigation by, nor findings of, the committee. It should be noted that the individual is not necessarily a Communist, Communist sympathizer, or fellow traveler, unless otherwise indicated.

On July 7, 1953, a subcommittee of this committee received testimony from Benjamin Gitlow, who stated that he was one of the leading officials of the Communist Party in the United States from 1919 to 1929. He referred to Dr. Reissig as follows:

"Dr. Herman F. Reissig headed the religious section of the American League Against War and Fascism. Dr. Reissig has a long and notorious record of affiliation with Communist-front organizations. I will mention a few of them. The Friends of the Soviet Union, the International Labor Defense, American branch of the 'MOPE,' a Moscow organization; North American Committee To Aid Spanish Democracy, and many more. One Communist-front he was connected with, the Mother Bloor Celebration Committee, had 71 sponsors, 40 of whom were card-carrying members of the Com-

munist Party. Its officers were all members of the Communist Party." (Investigation of Communist Activities in the New York City Area, pt. 6, p. 2086.)

It was reported in the *Communist Daily Worker* for March 30, 1938, page 4, that Herman F. Reissig spoke at a meeting of the Communist Party, held in Washington, D. C.

It is noted in report 2277 of the Special Committee on Un-American Activities, June 25, 1942, that Herman F. Reissig, a sponsor of the Union for Democratic Action, was one of the speakers at the 10th national convention of the Communist Party which was held in 1938, and that he was one of the 11 of "50 leaders of the Union for Democratic Action listed on the foregoing chart" who have "public records of affiliation with the Communist Party" (p. 17). Reference to his speaking at the 10th national convention peace commission of the Communist Party is also found in the *Daily Worker* for May 30, 1938, page 8.

The American Committee for the Protection of Foreign Born was cited as a subversive and Communist organization by the United States Attorney General in lists to the Loyalty Review Board (press releases of June 1, 1948, and Sept. 21, 1948). It was redesignated April 27, 1953, pursuant to Executive Order 10450. The organization was cited as "one of the oldest auxiliaries of the Communist Party in the United States" by the Special Committee on Un-American Activities in its report dated March 29, 1944, page 155 (also cited in report of June 25, 1942, p. 13).

Reverend Reissig was chairman of the executive committee of this organization, as shown in the *Daily Worker* of March 10, 1938, page 5; chairman, according to the following sources: Call to Third Annual Conference; letterhead, April 27, 1938; *New Masses*, November 1938, p. 22; letterhead, January 1940; national chairman, report No. 2277 of the special committee, page 13. An undated leaflet of the American Committee for Protection of Foreign Born named him as a member of the board of directors; a letterhead, Fourth Annual Conference, Hotel Annapolis, Washington, D. C., March 2-3, 1940, listed the Rev. Reissig as a sponsor; while the *Daily Worker* of April 11, 1938, p. 5, disclosed that he supported the Celler bill which was sponsored by the American Committee for Protection of Foreign Born.

The official organ of the American Friends of the Chinese People, *China Today*, for October 1938, page 19, contained a statement which was signed by H. F. Reissig. That organization was cited as a Communist front by the Special Committee on Un-American Activities (report of Mar. 29, 1944, pp. 40 and 147).

The Reverend Herman Reissig was secretary of the religious section of the American League Against War and Fascism as shown in *Fight* (official organ of the league), September 1935, page 13; the March 1937 issue (p. 3) of *Fight*. The issue of November 1937, page 3, showed him to be a member of the secretarial staff. He headed a commission of the Third United States Congress Against War and Fascism, according to the January 2, 1936, issue (p. 2) of the *Daily Worker*, in which he was identified as minister of the Kings Highway Congregational Church, Brooklyn, N. Y. He spoke at a meeting of the American League Against War and Fascism at Norwalk, Conn. (*Fight*, Nov. 1937, p. 27); and he was one of those who signed a statement to Congress released by the organization (*Daily Worker*, Feb. 27, 1937, p. 2).

Fight (issues of Aug. 1935, p. 12, and Sept. 1936, p. 3) contained articles which were contributed by the Reverend Reissig; and the July 1937 issue (p. 3) also listed him as a member of its secretarial staff.

The American League Against War and Fascism was organized at the First United

States Congress Against War, which was held in New York City September 29 to October 1, 1933. Four years later, at Pittsburgh, November 26-28, 1937, the name of the organization was changed to the American League for Peace and Democracy. * * * It remained as completely under the control of Communists when the name was changed as it had been before (Special Committee on Un-American Activities, report of Mar. 29, 1944, p. 53; also cited in reports of Jan. 3, 1939, pp. 69 and 121; Jan. 3, 1940, p. 10; June 25, 1942, p. 14).

The American League Against War and Fascism was cited as subversive and Communist by the United States Attorney General (letters to the Loyalty Review Board, released Dec. 4, 1947, and Sept. 21, 1948), and as a Communist-front organization by the Attorney General in re Harry Bridges, May 28, 1942, page 10. The Attorney General stated that it was "established in the United States in an effort to create public sentiment on behalf of a foreign policy adapted to the interests of the Soviet Union (CONGRESSIONAL RECORD, Sept. 24, 1942, p. 7683). The organization was redesignated by the Attorney General April 27, 1953.

A letterhead of the American League for Peace and Democracy (New York City division), dated September 22, 1938, named Herman F. Reissig as a member of the advisory board of that organization. This reference was also found on letterheads of September 26, 1938, and March 21, 1939. He was listed as a member of the Spain Commission of the American League for Peace and Democracy in a pamphlet, *7½ Million Speak for Peace* (p. 20); and the committee's report 2277 (June 25, 1942, p. 16) revealed that he was national secretary of the religious section of the league. Herman Reissig spoke at an anti-Nazi rally of the American League for Peace and Democracy (*Daily Worker*, Mar. 17, 1938, p. 1); and endorsed the United Youth Day parade sponsored by the league (*Daily Worker*, May 12, 1938, p. 2). He contributed an article to the April 1938 issue (p. 34) of *Fight*.

The American League for Peace and Democracy was cited as subversive and Communist by the United States Attorney General in lists furnished the Loyalty Review Board and released to the press by the United States Civil Service Commission, June 1, 1948, and September 21, 1948. It was established in the United States in 1937 as successor to the American League Against War and Fascism "in an effort to create public sentiment on behalf of a foreign policy adapted to the interests of the Soviet Union." The league was "designed to conceal Communist control, in accordance with the new tactics of the Communist International" (United States Attorney General, CONGRESSIONAL RECORD, Sept. 24, 1942, pp. 7683 and 7684). The Attorney General redesignated the organization April 27, 1953. The Special Committee on Un-American Activities said: "The league contends publicly that it is not a Communist-front movement, yet at the very beginning Communists dominated it. Earl Browder was its vice president. An examination of the program of the American league will show that the organization was nothing more nor less than a bold advocate of treason" (Reports, Jan. 3, 1939, pp. 69-71, and Mar. 29, 1944, p. 37; also cited in reports of Jan. 3, 1940, p. 10; Jan. 3, 1941, p. 21; June 25, 1942, pp. 14-16, and Jan. 2, 1943, p. 8).

The American Relief Ship for Spain was cited as "one of the several Communist Party front enterprises which raised funds for Loyalist Spain (or rather raised funds for the Communist end of that civil war)" by the Special Committee on Un-American Activities in its report, March 29, 1944, page 102. A letterhead of that organization,

dated September 3, 1938, lists Herman F. Reissig as a sponsor.

It was reported in *New Masses* for May 18, 1937, page 30, that Herman F. Reissig spoke at an anti-Nazi meeting which was sponsored by the American Student Union. This organization was cited as a Communist front which was the "result of a united front gathering of young Socialists and Communists" in 1937. The Young Communist League took credit for creation of the above, and the union offered free trips to Russia. The above claims to have led as many as 500,000 students out in annual April 22 strikes in the United States. (See report of the Special Committee on Un-American Activities, Jan. 3, 1939, p. 80; also cited in reports of Jan. 3, 1940, p. 9; June 25, 1942, p. 16; Mar. 29, 1944, p. 159.)

A booklet, *These Americans Say* (back cover), named Herman F. Reissig as secretary of the Coordinating Committee to Lift the Embargo, which was cited by the Special Committee on Un-American Activities as one of a number of front organizations, set up during the Spanish Civil War by the Communist Party in the United States and through which the party carried on a great deal of agitation (report of March 29, 1944, pp. 137-138).

The *Communist Daily Worker* carried the following information concerning the Reverend Reissig: arrested in Cuba (July 4, 1935, p. 2); sent Christmas greetings to the *Daily Worker* (Dec. 25, 1936, p. 1); speaker at meeting for Spain in Brooklyn, supported by the Communist Party (Feb. 24, 1937, p. 3); participated in demonstration before Italian Consulate in New York City (Mar. 17, 1937, p. 1); spoke at a United Youth Day Peace Festival, New York City (May 26, 1937, p. 2); he wrote a letter to the *Daily Worker* (Aug. 20, 1937, p. 9); he was a member of Tour of Loyalist Spain (Sept. 21, 1937, p. 3); and he spoke at the Brooklyn Anti-Lynch Conference (Apr. 14, 1938, p. 3).

Soviet Russia Today (Nov. 1937, p. 79) listed the name of Herman F. Reissig as one of those who signed the Golden Book of American Friendship with the Soviet Union, which was cited as a "Communist enterprise" signed by "hundreds" of "well-known Communists and fellow travelers" (Special Committee on Un-American Activities, report of Mar. 29, 1944, p. 102).

Reverend Reissig was one of the sponsors of the Greater New York Emergency Conference on Inalienable Rights, as shown on the program of the conference, dated February 12, 1940. That organization was cited as a "Communist front which was succeeded by the National Federation for Constitutional Liberties" (Special Committee on Un-American Activities, report of Mar. 29, 1944, pp. 96 and 129). It was among a "maze of organizations" which were "spawned for the alleged purpose of defending civil liberties in general but actually intended to protect Communist subversion from any penalties under the law" (Committee on Un-American Activities, report, 1948, p. 61).

The Reverend Reissig wrote a pamphlet on Spain which was released by the International Labor Defense, as shown in the *Daily Worker* of April 15, 1937, page 7. The ILD held a conference in Washington, D. C., at which he and Browder were speakers (*Daily Worker*, June 15, 1937, p. 4). He attended a meeting of the Hudson County Committee for Labor Defense and Civil Rights, supported by the International Labor Defense, according to the May 7, 1938, issue (p. 2) of the *Daily Worker*. It is also noted in *Equal Justice* for November 1938, page 4, that he sponsored a Christmas drive of that organization.

The following is quoted from the committee's report No. 2277, June 25, 1942: "Our committee found unanimously in our report to the House 2 years ago that the International Labor Defense was the legal arm of the

Communist Party. In his order for the deportation of Harry Bridges, the Attorney General concurred in this finding. Three of the four principal officers of the International Labor Defense are publicly avowed members of the Communist Party. Eleven of the fifty leaders of the Union for Democratic Action listed on the accompanying chart have been affiliated in one way or another with the International Labor Defense. They are * * * Herman F. Reissig" (p. 19).

The Attorney General cited the organization as the "legal arm of the Communist Party" (CONGRESSIONAL RECORD, Sept. 24, 1942, p. 7686; also cited in letters to the Loyalty Review Board, released June 1, 1948, and Sept. 21, 1948; redesignated Apr. 27, 1953). This committee cited the organization in report No. 1115, September 2, 1947, pages 1 and 2.

According New Order, a publication of the International Workers Order, Reverend Reissig sent greetings to the organization. He was a speaker at a meeting held in Brooklyn under the auspices of that organization. The following reference to Herman F. Reissig and the International Workers Order is found in report 2277 of June 25, 1942: "Our committee has found unanimously that the International Workers Order is a front of the Communist Party. The organization is headed entirely by outstanding and avowed members of the Communist Party, such as William Weiner, Max Bedacht, * * *. The following leaders of the Union for Democratic Action have been affiliated with the International Workers Order: * * * Herman F. Reissig" (p. 19).

It was reported in New Masses for May 18, 1937, page 30, that Reverend Reissig spoke at an anti-Nazi meeting of the League of American Writers, cited as subversive and Communist by the United States Attorney General in letters to the Loyalty Review Board (press releases of June 1, 1948, and Sept. 21, 1948).

The League of American Writers was cited as subversive and Communist by the United States Attorney General (letters to the Loyalty Review Board released in 1948; redesignated Apr. 27, 1953). The Attorney General said, "The League of American Writers, founded under Communist auspices in 1935 * * * in 1939 * * * began openly to follow the Communist Party line as dictated by the foreign policy of the Soviet Union. * * * The overt activities of the League of American Writers in the last 2 years leave little doubt of its Communist control" (CONGRESSIONAL RECORD, Sept. 24, 1942, pp. 7685 and 7686). The league was also cited by the Special Committee on Un-American Activities (reports of Jan. 3, 1940, p. 9; June 25, 1942, p. 19; Mar. 29, 1944, p. 48).

Herman F. Reissig was executive secretary of the Medical Bureau and North American Committee To Aid Spanish Democracy as shown in the following sources: Daily Worker, March 23, 1938, page 2; New Masses, March 29, 1938, page 21; Daily Worker, June 10, 1938, page 1; and letterhead dated July 6, 1938; New Masses, November 15, 1938, page 20. The Daily Worker of March 19, 1938, page 2, stated that he called a conference of the organization as its director; he greeted a delegation from Spain (Daily Worker, Apr. 5, 1938, p. 6), and spoke at a tea given by the Medical Bureau * * * (Daily Worker, Mar. 10, 1938, p. 2).

The Medical Bureau and North American Committee To Aid Spanish Democracy was cited as follows by the Special Committee on Un-American Activities: "In 1937-38, the Communist Party threw itself wholeheartedly into the campaign for the support of the Spanish Loyalist cause, recruiting men and organizing multifarious so-called relief organizations." Among them was the above (report, Mar. 29, 1944, p. 82).

An undated letterhead of the Mother Floor Celebration Committee listed Rev. H. F. Reissig as a sponsor on the occasion of her

75th birthday. Ella Reeve Bloor was a "nationally known Communist leader" (report 1311, Mar. 29, 1944, p. 148).

Herman F. Reissig spoke at the second National Negro Congress as shown on a leaflet of the congress dated October 1937. The United States Attorney General cited the National Negro Congress as subversive and Communist in lists furnished the Loyalty Review Board (press releases of Dec. 4, 1947, and Sept. 21, 1948).

A. Phillip Randolph, president of the congress since its inception in 1936, refused to run again in April 1940 "on the ground that it was 'deliberately packed with Communists and Congress of Industrial Organization members who were either Communists or sympathizers with Communists.' Commencing with its formation in 1936, Communist Party functionaries and fellow travelers have figured prominently in the leadership and affairs of the congress * * * according to A. Phillip Randolph, John P. Davis, secretary of the congress, has admitted that the Communist Party contributed \$100 a month to its support. From the record of its activities and the composition of its governing bodies, there can be little doubt that it has served as what James W. Ford, Communist Vice Presidential candidate elected to the executive committee in 1937, predicted: 'An important sector of the democratic front,' sponsored and supported by the Communist Party." (United States Attorney General, CONGRESSIONAL RECORD, Sept. 24, 1942, pp. 7687 and 7688.)

"The Communist-front movement in the United States among Negroes is known as the National Negro Congress. * * * The officers of the National Negro Congress are outspoken Communist sympathizers, and a majority of those on the executive board are outright Communists" (Special Committee on Un-American Activities, report of Jan. 3, 1939, p. 81; also cited in reports of Jan. 3, 1940, p. 9, June 25, 1942, p. 20; and Mar. 29, 1944, p. 180).

The following is found in the committee's report 2277, p. 21: "Probably no one who is acquainted even superficially with the New Masses magazine would deny that it is the weekly publication of the Communist Party. Among the leaders of the Union for Democratic Action, the following have written for the New Masses: * * * Herman F. Reissig * * * He also contributed to the March 29, 1938 (p. 21), and November 8, 1938 (p. 22), issues of that publication.

Reverend Reissig was executive secretary of the North American Committee To Aid Spanish Democracy, as revealed in the following sources: Daily Worker, March 23, 1937, page 2; New Masses, January 26, 1937, page 28; Second National Negro Congress, October 1937; New Masses, October 5, 1937, page 28; Second National Negro Congress, October 1937; New Masses, October 5, 1937, page 26; Daily Worker, February 12, 1938, page 2. It is also noted that as a member of the organization he attended an anti-Fascist demonstration before the Italian Consulate (Daily Worker, Feb. 19, 1938, p. 2).

The North American Committee To Aid Spanish Democracy was cited as a Communist-front organization by the Special Committee on Un-American Activities (reports of Jan. 3, 1940, p. 9; and Mar. 29, 1944, Communist by the United States Attorney General in lists furnished the Loyalty Review Board (press releases, Dec. 4, 1947; May 28, 1948; Sept. 21, 1948).

A letterhead of the Washington Friends of Spanish Democracy named Herman Reissig as national executive secretary of that organization (letterhead dated June 30, 1938). (Citation of Medical Bureau and North American Committee To Aid Spanish Democracy applies also to this organization.)

On page 4 of this memorandum, reference is made to a letter written by Rev. Herman F. Reissig to the Daily Worker (August 20, 1937), p. 9). The letter was addressed to

Mike Gold, a Daily Worker columnist, who had written an article on preachers. Mr. Gold published Dr. Reissig's letter, and referred to him as "a preacher who has surely brought honor to the cloth." He said: "Mr. Reissig is the executive secretary, I imagine everyone must know, of the North American Committee to Aid Spanish Democracy. * * * The Reverend Dr. Reissig is one of the chief organizers in this great task, but he must feel deeply on the subject of preachers, for he found time to send me the following letter." The letter said, in part:

"You feel sorry for preachers because they 'mustn't ever hint that war is caused by greed among capitalists.' But I did not suppose that even Communists teach that. War is caused, chiefly—Isn't it—by the capitalist system, which is what a lot of preachers I know are saying."

The files of this committee contain a copy of the November 15, 1950, issue of Social Action, published by the Council for Social Action of the Congregational Christian Churches and the Commission on Christian Social Action of the Evangelical and Reformed Church. Dr. Reissig, a departmental staff member of Social Action, expressed some of his views concerning communism and social action in an article in that issue of the publication American Leadership in a Revolutionary World. The following are excerpts from the article:

"The central theme of this article can be briefly stated. The policies of the Russian Communist Government have intensified the crisis of our time and made it acutely dangerous, but the root causes of the crisis antedate, and go deeper than the threat that comes out of Russia. While supporting United Nations resistance to aggression, we must avoid the present tendency to concentrate on 'stopping communism' and deal in truly bold and creative fashion with the underlying causes of world upheaval.

"* * * It may even be said that our western faith * * * has little chance of survival if we give most of our attention and strength to stopping Russia. * * *

"The Council for Social Action believes that Stalinist communism is false and dangerous. * * *

"Let us make no mistake about it. Many a Communist, in the United States and elsewhere, is neither a bad man nor, necessarily, one who has been 'unsuccessful'; he is a faith-starved person who thinks he has found in communism something to live by and to give life zest and purpose. If we ask why some of these people do not now renounce a faith so palpably false and corrupt, the answer may be that it is psychologically impossible for them to face the prospect of returning to a life of no faith at all.

"Let us not be afraid to say that some of our finest young people, products of good homes and of our best universities, have been attracted to communism. Instead of asking what is wrong with them, we would better ask what was wrong with us and with our faith that they turned to Marxism. * * *

"We misinterpret modern history if we fail to see that the raw ingredients of social revolution are not being created by Russian communism. The staunchest ally of communism has not been either Russian 'agents' or Russian armies but the inadequacy of the existing social institutions to provide a reasonable measure of security and happiness. * * *

"What are the effective weapons in the Communist arsenal? Trained propagandists and organizers, fanatical faith, ruthless methods, distortion of truth, the financial backing of Russia, fear of the Russian Army, military leadership and weapons from Russia. But communism's most effective weapon is the appeal against poverty and injustice. * * *

"Some non-Communists in Western Europe are wondering if a Russian-dominated

Communist government would not be preferable to an all-out war. Easy enough to say 'Death is preferable to Communist tyranny.' It isn't a question, even, of a few millions dying for freedom. It is a question of who and what can survive the holocaust. Is it so certain that freedom would survive?

" * * * It is of the highest importance that the problem of dealing with Russia be handled by the international body. Only the United Nations can marshal the necessary moral and military support. But, more than that, the United States at this point needs the restraining and correcting influence of other nations—India, for example, and the European countries whose direct experience of war has made them more cautious about steps that might lead to war than many Americans appear to be.

" * * * we shall have to find ways to resist Communist aggression in Asia without giving our support, or at least unqualified support, to incompetent or reactionary regimes whose only 'virtue' is their anticommunism. * * *

"Let us grant that we have faced a dilemma—either to allow the Communists to win or to support the only available alternative government, no matter how bad it was. We are in this dilemma, partly, because we have been too complacent about intolerable conditions in Asia, and gave too little help, or no help at all, to the legitimate revolutionary movements. We must at least become aware that the new evil cannot be overcome with the old evils. Once that is recognized, we may find solutions where none now appear. * * *

It is noted that, except for the foregoing article, no reference to Herman F. Reissig is found in the public files, records, and publications of the committee since 1940.

Mr. ROONEY. Mr. Chairman, I yield myself 10 minutes.

Mr. ROONEY. Mr. Chairman, on Saturday last at an unusually long meeting of the full House Committee on Appropriations we on the minority side spent all of our time defending the action of the subcommittee and in preventing, successfully preventing, further drastic cuts in this bill below the \$812 million cut by the subcommittee.

As we went along in the marking up of the bill last week there were some cuts made by the majority side, my distinguished friend, the gentleman from New York [Mr. TABER], and his colleagues, which I thought were justified. There were others with which I could not agree—for instance, with regard to general military assistance, a cut of \$165 million, the cut with regard to direct forces' support, southeast Asia and western Pacific, the cut of the entire \$17 million in the U. N. technical-assistance program, the cut with regard to Intergovernmental Committee for European Migration and the cut with regard to the United Nations Children's Fund.

Now, as to the U. N. technical-assistance program, pages 460 and 461 of the hearings will demonstrate that we uncovered the fact that a number of Communist engineers and technicians from Yugoslavia, from Czechoslovakia and from Poland have been sent into sensitive non-Communist countries, such as India, Iran, Burma, Mexico, and Indonesia, to spread their gospel at the expense of the United States which contributes more than 50 percent of the total funds of the United Nations technical-assistance program. But I feel that it is the responsibility of our representative

in the United Nations, Mr. Lodge, to do something about such a situation, because the total number of these technicians is over a thousand. I do not feel that the way to cure the patient is to drain every drop of blood out of his body, which, in effect, is the action of the committee with regard to the \$17 million deletion for the U. N. technical-assistance program.

At the same time, I am confused in reading the daily newspapers as to what is going on in this 83d Congress, as to whether or not there is really an effort being made by President Eisenhower and the administration to balance the budget, and whether or not the American people are being utterly fooled. Many of the appropriations items are being increased, and increased and increased. Maybe that is good. But please do not tell the American people you are going to balance the budget and that you are making a sincere effort to balance the budget when you have a situation such as this one indicated on this chart in my hand. You can see it from the last seat in the Chamber. This [indicating] is the Truman program in 1953 fiscal year. Here [indicating] is the Eisenhower-Stassen program for 1955, funds requested in this budget. Now, have the American people been honestly informed that this sort of buildup is taking place? Do they know that this is going on when you do not have a Korean war to support as you did in fiscal year 1953? Why, in today's Chicago Tribune there is an editorial entitled "Eisenhower's Record on Spending," and it concludes by saying:

Economy in government, as shown by the results of the last fiscal year, will doubtless be an issue in the coming election. But it is hard to see how it can be used with much success by the Republicans. All that Eisenhower can claim is that as a spender he is just a little more costly to the taxpayers than Truman was.

And in regard to this alleged cutting of the Truman budget, a budget made up only for what he expected his successor would need as a maximum in 1954, made up at a time when the Korean war was in progress, today's Chicago Tribune says:

He hasn't reduced it at all. Instead, he has increased it. The Treasury outgo in the year he has just reviewed was \$2 billion more than was spent by his predecessor whose record he had criticized.

Now, where are we going? Who are we kidding?

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I wanted to ask how much in the Truman prepared budget was included for the cost of the Korean war which was still going on at the time. I think the gentleman will find that never was budgeted.

Mr. ROONEY. Oh, yes, I am sure that it was, I say to the gentleman.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Michigan.

Mr. FORD. I can assure the gentleman that for the Department of the Army budget for fiscal 1954, which is

the one that both former President Truman and the present President worked over, there were no funds in the Truman budget for the Army's activities in the Korean war for that 12-month period.

Mr. ROONEY. I wish the distinguished gentleman would tell us how much was included for defense spending.

Mr. FORD. For what fiscal year?

Mr. ROONEY. 1954.

Mr. FORD. The defense appropriation for fiscal 1954, as I recall it, was \$34 billion.

Mr. ROONEY. And that was what percentage of the budget?

Mr. FORD. The total budget, as I recall, for fiscal 1954 was about \$54 billion.

Mr. ROONEY. No. I am speaking percentage-wise now. Was it not in the neighborhood of 80 percent of the budget, or more?

Mr. FORD. I do not believe it was that high.

Mr. ROONEY. I am speaking about defense spending; that includes foreign aid, the Atomic Energy Commission and all such items.

Mr. FORD. If you want to compare the appropriation for fiscal 1954, the military appropriation, between the Truman and Eisenhower budgets, you will find that we reduced the Truman budget by about \$5 billion.

Mr. ROONEY. I do recall the allegations with regard to that; it was stated that we were going to get better defense for less money, but the fact still remains that you have not balanced the budget. You are still \$3 billion out, and your Treasury outgo during the past year, as of June 30, was \$2 billion greater than it was in the previous fiscal year.

Mr. FORD. At the time Mr. Truman presented his 1954 budget, he anticipated the deficit for fiscal 1955 as \$9.9 billion plus, and here is an additional fact that was not too well brought out at that time. If the gentleman will take the defense part of the budget for fiscal 1954, he will see this, that Mr. Truman predicted a \$12.5 billion deficit. In reality he anticipated spending more for the Korean war, so the deficit in effect would have been \$12.5 billion for fiscal year 1954. In other words, at one part of the budget they said it would be nine and nine-tenths and in another part of the budget, where they were telling all the facts, they said on the continuation of the Korean war they expected the budget to be \$12.5 billion in the red for fiscal 1954. The present administration has taken that figure from twelve and five-tenths down to three billion, which I think is a very substantial bit of progress.

Mr. ROONEY. So there was more money for the Korean war? If you promised the taxpayers in the fall of 1952 that you were going to balance the budget, why did you not cut appropriations and balance the budget? You have been at it over a year and a half now.

Mr. FORD. The reduction of a predicted deficit by almost \$10 billion in 1 year is excellent progress.

Mr. ROONEY. I should like you to read the entire editorial to which I refer:

EISENHOWER'S RECORD ON SPENDING
Shortly after June 30 of each year the President of the United States issues a

statement summarizing the income and outgo for the accounting year just ended. Almost invariably each President has stated his conviction that he has managed the Government well in the preceding 12 months and that progress has been made in getting the Nation's finances on a sounder basis.

President Eisenhower conformed to custom when he announced Friday that during the fiscal year which recently ended, expenditures were cut, the year's deficit was brought down, tax reductions were made possible and "we are laying a firm base for a healthy and expanding economy."

In the recent fiscal year, outgo amounted to \$67.6 billion. Mr. Eisenhower says this is \$10 billion less than the last Truman budget. But that budget was never authorized by Congress. It was just the sum total of what the outgoing President told Congress the Government would need to carry on all the activities he had in mind. In that year, half Truman and half Eisenhower, the spending totaled \$74.3 billion.

Mr. Eisenhower also places the saving at \$3 billion under his own estimate made in January. The way to make a substantial showing like that in July is to make your estimate outrageously high in January. It was widely pointed out earlier this year that a \$70 billion spending rate was excessive. The hope was then expressed that the President himself would recognize this.

When Mr. Eisenhower was campaigning for his office, he promised to bring about a sharp reduction in expenditures. In the year which ended in mid-1952, just before the campaign started, the Government disbursed \$65.4 billion. The achievement of Mr. Eisenhower in bringing about economies must be measured by how much he has cut spending below this figure of \$65.4 billion.

He hasn't reduced it at all. Instead, he has increased it. The Treasury outgo in the year he has just reviewed was \$2 billion more than was spent by his predecessor whose record he had criticized.

The administration has indicated what the outgo is going to be for the new fiscal year which will end June 30, 1955. The total as it is set down in the Treasury Bulletin is \$65.6 billion, or a little more than Truman spent in his worst year, and Truman at least had two excuses for swollen budgets. He was fighting a war in Korea that has been over since July 27, 1953. Moreover, he was carrying out the program of economic aid under the Marshall plan. Economic aid, we are told time and again, has been almost completely stopped.

Economy in Government, as shown by the results of the last fiscal year, will doubtless be an issue in the coming election. But it is hard to see how it can be used with much success by the Republicans. All that Eisenhower can claim is that as a spender he is just a little more costly to the taxpayers than Truman was.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GARY. Mr. Chairman, I have no further requests for time.

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan [Mr. Ford].

Mr. FORD. Mr. Chairman, I think one point has come up during the debate today that requires clarification. One of the Members during the general debate quoted from a newspaper article that appeared in one of the local newspapers yesterday in reference to what was going to happen to the military and other equipment that we had sent into Vietnam following the truce. This question was discussed last Wednesday before our subcommittee at the time the Secretary of State came before the subcommittee. Following the newspaper

article which appeared yesterday the chairman of the committee, Mr. TABER, requested a written statement on the situation from the Director of the Foreign Operations Administration, Mr. Stassen. At this time, Mr. Chairman, I should like to read the full text of the statement from Mr. Stassen in reference to the evacuation of this equipment. I read verbatim from this statement:

PROTECTION OF UNITED STATES FINANCED EQUIPMENT IN INDOCHINA

As the Geneva Conference approached a climax, all available precautionary steps were taken to safeguard United States financed equipment and material en route to or located in the area of North Vietnam.

1. MILITARY EQUIPMENT AND MATERIEL

(a) All military equipment and materiel en route to this area was ordered back to the United States or otherwise diverted.

(b) Assurances were received from the French that every effort would be made to safeguard against capture United States financed military equipment and materiel in their hands. Reports indicate that the French have abided by these assurances, and have given a high priority to the withdrawal of such equipment from the area. Generally speaking, approximately 45 percent of this equipment is in the Hanoi-Haiphong area, about 45 percent in the Saigon area and the remaining 10 percent in the Tourane coastal area.

By the terms of the agreement on suspension of hostilities in Vietnam, the equipment in the Tourane and Saigon area are south of the military demarcation line which has been established and will not require evacuation. Also, by the terms of the same agreement, the forces of the French and Associated States will have 80 days to complete evacuation of the Hanoi area, and 300 days to complete evacuation of the Haiphong area. This period of time is considered adequate for the evacuation of all MDAP materiel and equipment in the area.

2. NONMILITARY GOODS AND EQUIPMENT

(a) All shipments to this area of nonmilitary goods and equipment of bulk commodities which might be difficult to remove were halted several weeks prior to the armistice, and diverted to Saigon or other areas.

(b) Steps were and are being taken to remove all movable goods and equipment of any military significance whatever to which the United States has title from the area. A quantity of radio receiver-transmitters used in the FOA resettlement project in North Vietnam is presently being removed to Saigon.

(c) Nonmilitary goods and equipment which have been delivered to the Vietnamese are to be removed in accordance with the provisions of the armistice agreements, which are presently being analyzed in consultation with the French and the Vietnamese. Subject to these agreements, our desire to remove all movable equipment and materiel of military significance (including such items as trucks, raw cotton, bulldozers, etc.) from the north appears to be in accord with the policy of the Vietnamese and French owners.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. SMITH of Wisconsin. I would call the gentleman's attention to a news item written by Jim Lucas from Saigon yesterday in which he calls attention to the fact that automobile trucks are still being delivered at the port of embarkation in Haiphong. That does not square with the statement the gentleman has just referred to.

Mr. FORD. I can only say that this is the statement which was delivered to the chairman of our committee this morning from the Director of the Foreign Operations Administration. It is conceivable, although I cannot verify it, that the delivery at this moment of trucks to Hanoi and Haiphong would be quite helpful and beneficial in the evacuation of some of our materiel from that area. That is conceivable. Trucks could be most helpful in getting valuable equipment out of the area.

About 3 or 4 months ago the United States sent a man to head up our military advisory group in Saigon, Gen. Mike O'Daniel. General O'Daniel has a long and outstanding record in the Department of the Army. I feel that he is one man we can rely on entirely to make a maximum effort to get from this area all equipment and supplies we have supplied and which would be useful in the southern Vietnam area and in Laos and Cambodia.

I would like to discuss at this point a somewhat different matter because it will bear upon what I suspect will be amendments offered subsequently. During the consideration of the Department of the Army appropriations we had the head of the G-4 section, the Assistant Chief of Staff of G-4, before our committee to discuss our ammunition situation. The question of ammunition was a rather hot issue a year ago. During the interval we had made as a government a great effort to get our own ammunition stocks in proper status. I can assure the members of this committee that our own ammunition picture now is immeasurably better than it has been for sometime.

Gen. W. B. Palmer, during the hearings on our bill for the Department of the Army, presented some testimony which I think is most significant here. He pointed out in summary that the funds we were asked to provide and which we did provide for procurement and production for the Department of the Army were adequate for our troops, but he was very careful to point out that if we should have a war break out the mobilization reserve we have for our own Army would be inadequate to supply our allies in our collective-security program; that if war broke out tomorrow we could not supply our allies unless we draw down our own precious Army stocks.

I would like to quote from the testimony we took in the Army committee hearings. It appears on page 1060 of the Army hearings for fiscal year 1955:

Mr. FORD. As I understand it, from the testimony which has been given here this morning, the funds which you have available and the authority which you want for fiscal 1955 in procurement and production will provide a mobilization reserve satisfactory for the United States Army in the concept we now have of a long, extended, uneasy peace?

General PALMER. I believe that is correct, Mr. Chairman. I think we have no feeling that there is an incompatibility between the policy, the governing policy, and the funds made available.

Mr. FORD. The provisions of our allies, the military equipment which they need to go along with our joint-defense program, would

have to come out of what is commonly called the foreign-aid appropriation request?

General PALMER. That is correct.

Mr. FORD. This committee is not now and never has considered funds for the buildup of our allies.

General PALMER. That is correct.

Mr. FORD. The funds which may be necessary to supply our allies with adequate military equipment will come out of another appropriation request which we call the foreign-aid or military-assistance program?

General PALMER. That is correct.

Mr. FORD. Any deficiencies which they might have, if we as a nation intend to supply them, the Congress will have to provide for in a military-assistance appropriation act.

General PALMER. That is correct.

Mr. FORD. Further questions?

Mr. SIKES. I have one further question.

But none of the foregoing would, as I understand it, change the fact that this is a limited mobilization reserve and that if there should be a sudden emergency—and we will surely need the help of our allies if there should be an emergency—the United States Army would have no supplies or equipment under this mobilization reserve to provide to its allies. Is that correct?

General PALMER. That is correct; none provided specifically for that purpose.

Mr. GARY. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, when World War II ended, almost 10 years ago, we all looked forward to a period of peace. We hoped that we might be able to settle down to tackle the great problems of reconstruction in an atmosphere of friendly cooperation among nations. That hope was denied us. Instead of peace, we have had pockets of conflict all over the globe. Some were indigenously engendered. Some were touched off by the great underlying conflict of the postwar world, the cold war. All of them have been affected in one way or another by the cold war, whether they started that way or not.

American policy in these areas of conflict has not always been decisive or clear. All too often, we have failed to anticipate the crisis—we have reacted, belatedly, to developments when it was already difficult to affect the situation. In large measure, this has been due to a tendency to focus attention and to become absorbed in parts of the world. This concentration has obscured our vision of the world as a whole.

For some time now, we have been so absorbed in the problems of the Far East and southeast Asia that we have been neglecting American policy in another portion of Asia—an area torn by conflict and tension, where the ineptitude of current American policy, if continued, may bring us to as disastrous a crisis as we have been facing in other parts of Asia in the past few months.

I refer to the Middle East. This area is important to America for a number of reasons. Geographically, it is one of the major crossroads of the globe, the connecting link between Europe and Asia. Politically, it is one of the strategic factors in the cold war between the Soviet Union and the free world. Economically, its huge oil deposits are essential to the operations of the western economies. But—most important to those of us who value humanity—we are bound

by deeply felt ties of an ancient heritage upon which our ethical and moral systems were founded. Three great religions of the world were cradled here. And western society owes its basic moral values primarily to two of these great religions.

But this birthplace of our western civilization is today a disturbed and distressed area, divided by internal conflict, and exposed to external danger. We should be deeply concerned about the peril which confronts this region and its peoples.

American policy in the Middle East should be so designed as to contribute to the reduction of tensions, to the promotion of harmony among the various peoples living in it, and to the attainment of peace and growth in that area. But the reverse is happening. Current American policy is contributing not to a reduction of tensions but to an intensification of them, not to harmonious living together but to divisiveness and the continuance of conflict, not to peace and growth but to a static acceptance of all that makes for the festering sores of social unrest.

I emphasize the fact that it is the new American policy in this area that I speak of. For in the past America has warmly supported and encouraged the aspirations of all the peoples of the Middle East. We have done this for several decades. Our first aim has been political independence, our second economic development. Real and lasting progress in both of these areas of human living are necessary if the peoples of this region are to realize their hopes and to enjoy in a creative way their rich stores of culture.

The allied victory in World War I brought with it the collapse of the Ottoman Empire and thereby the liberation of the great Arab peoples. American ideals and the principle of self-determination enunciated by President Woodrow Wilson gave the inspiration to Arab nationalism. With our help, 50 million people living in an area of 2½ million square miles have achieved nationhood. Originally four, there are now eight Arab nations. When the United Nations was established, our country helped to bring these new States into the framework of the international community, despite the fact that their contributions in the last war were either negligible or on the side of the Axis. Of the eight Arab nations, only Jordan and Libya are not members of the United Nations.

But our friendship was not reserved for the Arabs. We have also warmly supported Jewish aspirations for nationhood, regardless of which party was in power. Every President since Wilson, whether Democratic or Republican, and both parties in the Congress, have supported the principle of an independent Jewish homeland. We approved the historic Balfour declaration. We supported the U. N. recommendations for partition in 1947. We were among the first to recognize the new state of Israel. We tried in the United Nations to restore peace after the Arab states went to war against the new Jewish State. With the signing of the armistice agreements, we

have used our influence in the United Nations to try to translate these into real peace agreements. We welcomed Israel into the United Nations and gave friendly encouragement to this new democracy in the Middle East.

We have every right to be proud of our role in helping to achieve the national independence of these middle eastern states—both Arab and Jewish. We may also be proud that we have been concerned with the development of the entire region, and, especially within recent years, have been generous with economic and technical assistance.

But within the last 18 months our Department of State has wrought a subtle change in all this. The New Look has eyed the Middle East with a withering glance. In its political policy the present administration has reversed our past positive program for peace in the Middle East.

The new policy in the Middle East, described as one of "impartiality," was enunciated by Secretary of State Dulles about a year ago, after a trip to the Middle East. Now, Mr. Dulles may be sincere in his desire for impartiality. But the impression conveyed by this speech was of a semantical sleight-of-hand, for it implied that we had not been impartial in the past. To prove our new impartiality, we have actively sought to accommodate ourselves to the Arab position and to identify ourselves increasingly with Arab demands upon Israel. By a process of inexorable logic, this has led to the support of the Arabs in their refusal to seek a real peace and in their increasingly bolder economic and guerrilla aggression against Israel. Hopes for peace become dimmer in the area.

For the Arabs, unfortunately, have never accepted the armistice as a steppingstone to peace. They still consider themselves at war with Israel, and within recent months they have stepped up their economic blockades and boycotts and intensified their guerrilla activity against border settlers with the aim of driving them from the frontiers and strangling Israel's agricultural life.

This mounting conflict is the product of American policy. It is the price we are paying for another ignominious failure.

Before the new Dulles doctrine, progress was being made—slowly, to be sure, but, nevertheless, positively—toward the reconciliation of these conflicts. But Mr. Dulles' statement has supplied the Arab leaders with a rationale for the continuance of their intransigent attitudes and actions.

Now we come to the next step in the flow of this logic. The administration actually appears to have abandoned peace as the goal of American policy in the Middle East. State Department officials concerned with this area are permitted to announce that peace is no longer possible. The most we can hope for, they state, is that the conflict and tension shall get no worse. As if such a static aim were possible in the fluid course of world events.

For the unfortunate peoples of the Middle East, this aim is bad enough—no area likes to live in perpetual conflict. But ferment in a region of the globe is

not like a chemical experiment—it cannot be isolated in a test tube and controlled, and this makes it all the worse.

Hot ferment and cold war—these have a way of interacting and spreading. The Kremlin is all too close to the Middle East, and the men who sit there can also take a long look. As a matter of fact, they have been playing their own unsavory brand of politics in this area for too long already. Their aim, here as elsewhere, is economic disintegration and chaos, which always serve their ends. To achieve this they have twice sided with the Arabs at the United Nations in vetoing Security Council attempts to lessen Arab-Israeli hostility.

Nothing is closer to the Kremlin's desire than to have both groups at each other's throats. That is the posture best calculated to encourage Communist aggression. It is the worst possible relationship from the standpoint of the free world.

The administration hopes to keep back the Kremlin by defending the "northern tier" and arming the Arab States. It has already announced its decision to grant arms to Iraq. Yet Iraq is a nation which, by its own admission, considers itself at war with a country friendly to us. Iraq, as a leader in the Arab League, fosters organized Arab hostility to Israel, and her leaders let no opportunity go by to express their determination of wiping Israel from the face of the earth.

Now, the Department of State is not unaware of our concern lest Iraq use our arms in renewed conflict with Israel. But it believes that Iraq can be trusted not to abuse our confidence.

But what a gamble this is in the face of the record of Iraq—political instability, repression of minorities, and the abortive pro-Nazi revolt of 1941.

How can we be sure that a country that has invaded Israel, which has expelled most of her Jewish population, and which hangs Jews in the public square of Baghdad can be relied upon not to attack Israel? The Iraqi themselves publicly proclaim that they are unreconciled to Israel's continued existence. On what theory do we refuse to take them at their word? What sort of wishful thinking is it to say that the Iraqi are not what they themselves say they are?

Nowhere else are we arming a country at war with an ally. Nowhere else are we giving our weapons to those who boast publicly of their intention of destroying, not possible aggressors, but a peace-loving neighbor.

You do not have to be a military expert to know that the Iraq army has a feeble record and could offer us little help in stemming Soviet aggression.

What then is the real purpose of this arms program? Do we equip Iraq to suppress the Kurds, who are seeking self-determination? Is it our purpose to supply arms so that they might suppress those who would overthrow the rulers now in power? Government by violence is the rule in Arab countries. Certainly the use of American arms for such purposes will not win friends for the United States but bitter enemies. For what we

are really doing is strengthening the feudal dictatorship in these countries at the expense of the people, long too repressed to be articulate in their cry for social reform. Is this really the way to fight the Communist menace? Does not our policy really drive large masses of the people into the false embraces of the Soviet Union?

The time has come for a reappraisal of American policy in the Middle East. It need not in any sense be an agonized reappraisal. Only a continuation of the current policy will be agonizing. A return to true impartiality will be a welcome change, since at present conditions are deteriorating to an alarming degree. Not arms but economic and technical assistance to all the peoples of this area; not the fanning of flames of conflict but patient negotiation at a conference table; these are essential conditions for the attainment of peace.

We need to help the peoples of this area by helping them lift their sight for their economic and social betterment. We want to help them live side by side in peace. We want them to live productively and creatively, so that they can enjoy fully the blessings of democracy. We will not defend freedom in this or any other part of the world unless we build and expand democracy. This we can do if we strengthen democracies wherever they may be. This we will fail to do if we undermine democracies by an alliance with those who survive by oppression and war.

The CHAIRMAN. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Military assistance: For military assistance as authorized by title I, chapter 1, §1,341, 300,000 plus unobligated balances, as follows: For general military assistance authorized by section 103, §1,265,300,000 plus not to exceed \$2,234,912,729 (including not to exceed \$27,285,000 for development of weapons of advanced design as authorized by section 105) of unobligated balances; for infrastructure authorized by section 104 (a), §76 million, plus not to exceed \$39 million of unobligated balances: *Provided*, That such unobligated balances shall be derived from balances of appropriations heretofore made for military assistance (Europe; Near East and Africa; Asia and the Pacific; American Republics; and mutual special weapons planning): *Provided further*, That not to exceed \$22,500,000 of such funds shall be available for administrative expenses to carry out the purposes of title I, chapter 1 until June 30, 1955.

Mr. DAVIS of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Wisconsin: On page 2, lines 8 and 9, after "exceed", strike out "\$2,234,912,729" and insert "\$1,934,912,729."

Mr. DAVIS of Wisconsin. Mr. Chairman, the gist of this amendment is the reduction of the unobligated balance for general military assistance by \$300 million. The purpose of this amendment is not so much to deprive the military assistance program of that particular amount of money as it is to assure that this Congress will be able to review this

entire matter when it returns in January. I believe that is necessary, as I indicated in my remarks in general debate, because of the events which have happened since the justifications for this program were prepared, and since the hearings on this matter were conducted. I believe that this is closely related to the truce which has occurred in Indochina. I believe it is closely related because I am firmly of the belief that as part and parcel of the solution in Indochina, there has been a commitment made by Mendes-France that his nation will not ratify the EDC, the European Defense Community, as long as he is Premier of France. I am satisfied of that because Mendes-France has always been a skeptic of the European Defense Community plan. I am quite sure that he will go ahead and go through the formality of attempting to put the EDC plan through the French Parliament, but I am equally convinced that he will make certain that effort will fail because of the groundwork that will be laid in the French Parliament to make it fail. In my opinion, that makes the rearmament of Germany almost a certainty by the time this Congress convenes for the 84th Congress. Some will say, "If that is what is going to happen, leave the money in. Let them go ahead with that." To my way of thinking, that is too important a decision, and the amount of money involved is too great, for us to give that kind of a blank check without their first coming back to the Congress for a review of this matter.

It does no good for us to say, "Let us make this all dependent upon the actual existence of a European Defense Community" unless we are going to do something to assure that kind of a condition to exist.

I believe the only way we can do it is to defer the availability of these funds, in the light of recent developments in Indochina, and in Europe, until we have a much better idea of what our program is going to be.

The argument will be made that this will hurt the Military Assistance Program because of the long-lead items involved. Well, why is it that in accordance with the tabulation which appears on page 185 of the hearings out of \$1,101,000,000 available to the Army for materiel of this kind, tanks and other long-lead items, only \$145 million was obligated, and not one dollar of that was for the contracting of new materials? Every single dollar was a diversion, taking out of stocks of materials that had already been contracted for, by our own Defense Departments.

I would like to call attention to the fact that if it was so important to go ahead with this, why did they not contract for \$1,175,000,000 for the Army, for \$421 million for the Navy, and \$954 million for the Air Force? If there is urgency, somebody ought to have been doing something about it during 1954. If there is to be an emergency ahead, there is still plenty of money left here to do all the contracting, all the building up of stock, that will be required before this Congress meets in January.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. (By unanimous consent Mr. DAVIS of Wisconsin was granted 2 additional minutes.)

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. OSTERTAG. I just want to make clear that this amendment would be applicable to the European theater, rather than the world.

Mr. DAVIS of Wisconsin. It is general military assistance. I might say that there is a great deal of transferability among these items. If there is to be need for long-lead items, there is authority that exists to put some of that money into this particular field. I think the value of this amendment is to provide opportunity for a very careful review of this very important and this very expensive program when the Congress returns at the opening of the next Congress. In my opinion, this is the responsibility of Congress, to share in the decisions that must be made, in view of the events that have transpired in recent weeks; in view of events that have transpired since this presentation was made to the Appropriations Committee.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. SMITH of Wisconsin. Does not the record show that if we did not appropriate 1 cent there would be no damage to the program in the next 18 months?

Mr. DAVIS of Wisconsin. Certainly there is a huge unexpended balance and there is a huge unobligated balance.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

(By unanimous consent, at the request of Mr. ROONEY, the gentleman from Wisconsin was granted 1 additional minute.)

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. ROONEY. I would like to inquire of the gentleman whether or not this proposed amendment would not reduce the program with regard to Greece, Turkey, and Spain.

Mr. DAVIS of Wisconsin. There are other places in this bill for those three countries, as the gentleman well knows. This is a very general matter. There is great transferability, and if you want to torture the situation this much, you could say this takes it from England or Ireland, which would greatly concern the gentleman, or it takes it away from any other country. But as a matter of fact, transferability exists, to put it in any of those particular countries, under the law.

Mr. ROONEY. The gentleman knows I attended the hearings?

Mr. DAVIS of Wisconsin. I certainly know that.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. DAVIS].

Mr. Chairman, I do not like to have to take the floor and speak against an amendment offered by my friend from

Wisconsin who is one of the most valuable Members of the House; but I do feel that this amendment reducing the unobligated figure by \$300 million makes in addition to the cut which the committee has made of \$265 million too great a reduction in this particular item.

We are in a very difficult situation in the world. Here is why we have the great unexpended balances in this matter. All through the Korean war the United States forces were being supplied to a very considerable extent out of the stocks that had been accumulated for military purposes in connection with the old Economic Cooperation Administration, and, as a result, things were not supplied to our European allies in the quantities that were necessary in order to put them in a position where they would be able to take care of themselves. Now, that situation has been partly corrected. With the operations of this year we will be able to very largely correct that situation.

If we knock out \$300 million of this it is going to mean that we will not be able to build up that first line of defense of troops in Western Europe, in Asia and in the islands in the Pacific that is necessary if we are to prevent the Communists from taking over the entire world. We can a good deal better train and equip and arm some of those European nations and the free of Asia and let them do a part of the fighting than we can to let our own boys and to rely on our own boys to take all the killing, all the wounding, and that sort of thing in defending these other peoples as well as ourselves. I would not want us to shirk our share; on the other hand, I do believe that it is better for us to arm, equip, and train them so that they can carry part of the load than it is for us to let the thing go in such a way that there is no chance of having any help whatever in meeting the situation that we have to face.

Mr. Chairman, I hope the pending amendment will be rejected.

Mr. LAIRD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it is well for us to put the consideration of this bill in its proper perspective. The distinguished chairman of the Committee on Appropriations, the gentleman from New York [Mr. TABER], for whom I have the highest respect and admiration, has brought up the argument that it is better for us to arm the people in foreign countries than it is for our own American boys to carry arms. The amendments offered by my colleague from Wisconsin [Mr. DAVIS] have no bearing on this particular principle. I do not think that the question of arming friendly nations around the world is an issue in considering these two Davis amendments. The question which these amendments put squarely before the House is simply the question of whether the entire amount of funds carried in this bill is actually needed to carry out the principles of our mutual-security program.

If each of you will look at the hearing record of the Appropriations Committee on this appropriation bill, you will find in the testimony the recommendations of the Foreign Operations Administra-

tion requesting the reappropriation of unexpended balances estimated to be approximately \$9.970 billion on July 30, 1954. Of these unexpended balances the Foreign Operations Administration reported that it had obligations for \$7.397 billion and that \$2.582 billion was completely unobligated and available for use in 1955. Members of our committee staff checked the \$7.397 billion in reported obligations of the FOA and upon close investigation estimated that at least \$2 billion of the amount reported as obligated by the FOA was not in reality obligated by a firm contract or a firm obligation.

The House Appropriations Committee has authorized the use of \$2.3 billion in carryover appropriations and appropriated new funds of \$2.8 billion, making the total available for obligation in this current fiscal year of \$5.1 billion. In reality, this afternoon we are considering a mutual security bill which totals \$12.4 billion due to the fact that this bill does contain language reappropriating all obligated balances of the Foreign Operations Administration in the amount of \$7.3 billion plus the \$2.3 billion in unobligated balances plus the \$2.8 billion in new appropriations.

There is a transferability provision in this bill which allows up to 10 percent of the funds authorized for obligation in fiscal year 1955 to be transferred to any section for any purpose that the executive department feels is necessary. The list on page 2 of the committee report as far as the breakdown of where funds will actually be used, means very little, when the executive department itself can transfer up to one-half billion dollars to any country or to any area in the world covered by this bill. As a matter of fact, the executive department, under the language presently contained in this bill, can transfer funds appropriated for military procurement to economic aid without limitation.

Our committee staff and the hearing record made before the House Appropriations Committee showed considerable evidence of loose bookkeeping. In an effort to secure some degree of understanding of the reliability of carryover amounts, the committee staff was directed to work with the General Accounting Office on the analysis of the figures submitted by the FOA.

This involved visiting the various locations both in the United States and overseas where records are available and examining the details of individual obligating documents to determine the validity of items reported. It has already been determined that questionable practices, involving substantial sums, are being followed in the classification and recording of transactions and obligations. They range all the way from plain clerical errors—\$47,800,000—to amounts exceeding limitations stated in letters of intent not yet converted to definitive contracts. Substantial sums are included for lump-sum contingent amounts contained in contracts for spares, spare parts, engineering changes, and the like for which there are no definitized orders and which appear to

amount in effect to nothing more than an administrative reservation of funds against possible future purchases. Contracts entered into in 1951 and earlier years, practically dormant for many months, are also included. There are other categories of questionable firmness such as canceled orders not yet removed from the books, excessive cost estimates, lower stock prices promulgated subsequent to the original requisitions, and so forth. The conditions found closely parallel those reported in March 1954 by the Comptroller General on obligations for regular aircraft procurement funds in the Navy and Air Force.

Similar tests were made of selected obligations reported as of May 31 under nonmilitary programs. Many instances were found of outstanding obligations with considerable age which were possibly out of date as well as many instances where there was a direct question of validity from a standpoint of legality and firmness.

While the magnitude of the job is such as to require more time than has been available for a complete analysis, and the committee therefore was not in position to state with any degree of exactness the total amounts which may be involved, the facts developed to date indicate a very serious situation. The analysis is continuing and the Acting Comptroller General has already written a letter to the FOA indicating that it will be necessary for his office to review the obligating procedures being followed.

Under the circumstances it seems to me that if the Congress is to retain some semblance of control over the amounts to be expended, that we cannot authorize the full appropriation that is carried in this bill today. If we are to do away with the poor management and loose bookkeeping procedures which have been used throughout this program, it is necessary for us to reduce the appropriations until such a time as the Foreign Operations Administration can come before our committee and present a clear picture of what the situation actually is in regard to the funds which have already been appropriated to this agency.

Mr. Chairman, we can very well go along with the amendment offered by the gentleman from Wisconsin, adopt his amendment, and we will be insuring much better bookkeeping procedures, much closer scrutiny by the Congress of the funds that are to be used and will be following the procedures which we have used on every other appropriation bill dealing with the appropriation of funds for domestic purposes. We will not be hurting the program, as I want to remind each of the Members here today that our committee was told that the maximum that could be obligated in fiscal year 1955 was \$3.5 billion. It is completely unrealistic and almost fantastic to me that the Congress should authorize the expenditure of the entire amount recommended in this bill in view of the fact that these funds will not be allocated or spent until 3 or 4 years in the future. The mere making of large appropriations will not have any real psychological effect upon the threat of international Communist aggression.

Mr. FORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment offered by the gentleman from Wisconsin seeks to eliminate an additional \$300 million from the unobligated funds which the committee has recommended for inclusion in this bill.

I think at this point we ought to start from the beginning to see where this amendment, if approved, would leave us. The administration, in its request for this program for fiscal 1955, proposed the appropriation of new money in the amount of \$1,430,300,000. This is a request for military hardware, guns, tanks, ammunition, all of the things that go to build up our allies for the defense of what we call the free world.

The other body, through its Committee on Foreign Relations, in considering the authorization bill, reduced that overall amount by \$165 million. The authorization bill was not reduced by the House in the military assistance program.

The administration, in its recommendations for fiscal year 1955, proposed that we reauthorize \$2,472,567,283 in old funds which had been previously made available.

Our committee cut those unobligated funds by \$265 million plus. The amendment offered by the gentleman from Wisconsin [Mr. DAVIS] would reduce those unobligated balances by an additional \$300 million, making a total reduction of new money and old money, if the Davis amendment is agreed to, of \$730,479,554, which is better than 10 percent.

Let me review and summarize the situation. A \$165 million reduction in new money; plus \$265 million which the committee has already cut; and if you approve the Davis amendment you take off another \$300 million making a total of some \$730 million out of the total request of the President for both new money and old money.

It is my opinion that such action would be a very serious impairment of our effort in conjunction with our allies in building up a strong military force against the threat of communism. As I indicated in my previous remarks, included in this particular item of this bill are the funds for the ammunition of our allies. I think the testimony will show that in this request, both old money and new money, there is an approximate figure of \$1 billion for ammunition. We are at the present time considering an amendment that would reduce the total amount by an additional \$300 million, which, if combined with the action taken to date would make a total of \$730 million.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. DAVIS of Wisconsin. How does the gentleman explain that at least in the Army, in the military-assistance program, where they had well over \$1 billion to obligate, as far as the record shows, they have not contracted for one single dollar's worth of ammunition for this program in the fiscal year 1954?

Mr. FORD. I can tell the gentleman this, that the Department of the Army

has, as its program for its own forces, a program approximately \$1 billion a year for the next few years. Now out of the foreign-aid funds there will be some obligations in the United States through the Department of Defense. In addition, there is an effort to be made for the buildup of ammunition sources of supply in foreign countries. This program is being expedited.

Under the arrangements we have with all of our Department of Defense agencies the FOA puts in a request and the obligation is not actually firm until delivery is about to be made. I cannot give the gentleman the exact dollar situation. But out of the whole FOA program for ammunition, out of the new money and the old money, it is my recollection that there is close to a billion dollars out of some \$6 billion. Bearing in mind our own ammunition picture which is just about what it should be, I think it would be disastrous at this point to take any further action which would complicate the situation for our allies and quite directly for ourselves. Obviously if war should start tomorrow we would have to help supply some of our allies who would be helping us in the fight. I do not think we can take that risk at this very crucial time in world history.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I call attention to a very unique provision in the annals of legislative reports. The great Appropriations Committee, composed of 50 Members of this House, after sitting in judgment somewhat as a grand jury, has brought in a broad, sweeping indictment which I should like to read and to emphasize. I think it is unique when a Republican-dominated committee comes to the floor of the House with this indictment leveled at a Republican administrator. This is what the report says:

From an analysis of the underlying details, including examination of a number of specific documents forming the basis for such amounts, the committee can only conclude that there was a deliberate effort to tie-up or dispose of available funds before the June 30 deadline. The finger points clearly to various forms of "June buying" to get rid of "hot money" as basis for support of 1955 requests, a practice long condemned by the committee and on which, as late as April 26, the Director of the Budget issued a directive to agencies cautioning against such practice late in the fiscal year.

It seems to me that if this indictment is true, if our great Committee on Appropriations has found the persons involved guilty, then some sort of a judgment should be rendered. It seems to me that if the committee knows who the guilty parties are the committee should see to it that they are driven from public office before twilight tomorrow. Imagine a committee finding that there was a deliberate and unholy conspiracy to get rid of the money that is provided for our foreign-aid program.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. TABER. This situation was described by our committee because we in-

tend to see that the situation is corrected. It has been going on for years and we intend to stop it. We sent 25 men down into the departments to check it.

Mr. COOLEY. I congratulate the distinguished chairman of this great committee on being so forthright and so frank and so honest in presenting the true facts to the House and to the country, but I do insist that anyone connected with the Government in any capacity who becomes a party to an unholy conspiracy to throw away the people's money as indicated by this report should be removed from public office.

I will not bore you by reading the rest of the report, but the report goes ahead and submits evidence justifying the conclusion of this great committee. I assume that it was an unanimous finding by the Committee on Appropriations. I just want to emphasize this fact: In this very first item in this great bill we are here and now appropriating 3 times more money than the taxpayers of America have lost on the price-support program through the Commodity Credit Corporation in the long period of 22 years. We talk about the cost of the agricultural programs. I am taking the floor to emphasize how inconsequential the cost has been when related to other costs. I wish to call to your attention detailed information which I think minimizes the cost of the agricultural program, as it should be minimized, by the Congress and throughout the country.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GARY. Is it not a fact that if millions of dollars from this program had not been spent to purchase farm surpluses that the losses of the Commodity Credit Corporation on its surplus products would have been very, very much larger than it is today?

Mr. COOLEY. I am not complaining about the fact that money has been spent on the foreign-aid programs. I think the gentleman from Virginia knows that I have consistently, year in and year out, supported the foreign-aid programs, but I do not believe my friend, the gentleman from Virginia, would be willing to countenance or to approve the wasting of money and calling the taxpayers' money hot money.

Mr. GARY. The gentleman from Virginia is on the committee that made this report.

Mr. COOLEY. I know the gentleman is not in favor of it, and I am not saying that agricultural commodities have not been purchased with foreign-aid funds, but I say the gentleman from Virginia ought to tell us that even that amount is inconsequential when related to the overall expenditures that we have made in the field of foreign relief and rehabilitation.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ROONEY. I wish to commend the gentleman on his statement, and to assure him that since there are no less than a dozen people within the sound of his voice who will bring his statement right directly to Governor Stassen that

he need have no fear that this will not be brought to his attention.

Mr. COOLEY. I think it ought to be brought to Governor Stassen's attention. I think the President should take notice of the fact that it is unique for a great committee, the Committee on Appropriations, to come here with a bill of indictment, in which the committee has found this public official guilty, I think the committee should insist upon his removal from office.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. McCORMACK. Talking about Governor Stassen, is he not the gentleman who not so many weeks ago went to Europe and lifted the trade restrictions with the Communist bloc and then came back to the United States and made the ridiculous statement that he was doing it as a peace gesture?

Mr. COOLEY. Not only that, but he is the same Administrator who played Santa Claus last Christmas to the people of 21 nations in giving away 5 million Christmas presents paid for by the money of the taxpayers of America.

Mr. Chairman, I want to support the pending measure. There are many items and provisions in the pending bill which I cannot, in good conscience, oppose. I know that we must have friends around the world. I know that we must fortify and strengthen the fighting forces of freedom along the Bosphorus Strait. Yes; the economy and military forces of Turkey must be strengthened. We must come to the aid of Greece and to the aid of all of the friendly nations, but this administration should assure the American people that the money we have provided shall be wisely and well expended in behalf of the people who believe in freedom. This man Stassen is not an asset, but rather a liability to the administration now in power. I hope that the President will take notice of this report and will take appropriate action to the end that this Government might be rid of Governor Stassen and all of his Santa Claus projects and maladministration of public funds.

Mr. Chairman, but for my great interest in the cause of American agriculture I would not now trespass upon the patience of the Members of this House. When I realize how many billions of dollars we have spent in the last 22 years on the peoples of other lands, and when I realize how some of the people of this country are howling and growling about the money we have spent in supporting the prices of agricultural commodities here in our own country, I feel thoroughly justified in bringing to your attention and to the attention of the people of America the facts concerning the one program which has meant more to the economy of our country than any other program which has been in effect in the past two decades. We have been making history here in Congress in the last few weeks. I think it is very appropriate for me, here and now, to bring to your attention again some pertinent facts and figures, in the hope that I might be able to provide some food for thought.

If my calculations are in error, if my conclusions are inaccurate, I earnestly hope that someone in some way connected with this administration will give the Congress and the country the real facts and the truth.

Mr. Chairman, I could talk on perhaps for hours about this great and paramount subject of agriculture. I know that I shall not in this one feeble effort tell the whole story.

Mr. Chairman, during the 20 years that I have served in Congress I have been a member of the House Committee on Agriculture. For 4 years I had the honor to be chairman of that great committee, and I am now the ranking minority member. My colleagues will bear witness that during that entire 20-year period I have constantly and consistently tried to keep farm problems and farm programs out of and above partisan politics. Fortunately, seldom, if ever, during the 20 years has partisan politics lifted its ugly head in our committee room. The 30 members of the House Committee on Agriculture are all devoted to public duty and are interested in the welfare, not only of the farmers of America, but all of the people of our Nation.

I am certain most of you know that on many occasions I have paid tribute to my long-time and beloved friend, the present distinguished chairman of that committee, CLIFF HOPE, of Kansas, who has served on the committee for 27 long years, and at the end of this year he, too, will have served as chairman of the committee for 4 years. As current and positive proof of the fact that partisan politics seldom, if ever, enters our deliberations, I need only remind you of the fact that just about 2 weeks ago, when the general farm bill was being considered in the House, the able and distinguished chairman of our great committee led the fight for the preservation and extension of the price-support program on basic agricultural commodities, and as former chairman and ranking minority member, I stood here by his side. The same thing is true with regard to the Agricultural Trade Development and Assistance Act of 1954, which was recently signed by the President. In reporting the general farm bill every Democratic member of the committee, except one, voted with the Republican chairman. I say all of this, Mr. Chairman, in the hope that what I shall now say will be accepted for what it is worth, and that my colleagues may know that I am not now prompted by considerations of partisan politics. As a member of the minority I claim the right to speak out in criticism, but I assure you that I shall speak without bitterness or rancor.

Farm problems like foreign policy should always be kept on a bipartisan or nonpartisan basis. Certainly all of the friends of agriculture are not members of the Democratic Party. In both Houses of Congress there are members of the Republican Party who are devoted to the cause of agriculture. I shall not attempt to list them by name, but they are here and they are not newcomers—nor are they fly-by-night friends. They have been friends of the farmers all

through the years and they will continue to fight for all that they believe to be right. They, too, have tried to keep these issues out of partisan politics—they, too, have tried to keep the promises of their party and their party leaders. But what spectacles have we witnessed as legislation affecting the welfare of farmers has been brought to this House for consideration. The leadership has turned on some of these great men, these tried and trusted friends of agriculture, but all of us know that there is no flaw in their armor and no blood upon their shields. These friends of agriculture need never be afraid for they shall triumph in the campaigns to come.

No one segment of our economy has been singled out for such lambasting and for such cruel treatment as is now being administered to the farmers of America. Every blustering, blundering bureaucrat seems to have turned against the farmer. A deliberate, willful, wicked, and wanton effort is being made to cause the consumers of America to revolt and to turn against the farmers of the Nation. The farm program has been distorted, denounced and ridiculed throughout the length and breadth of the Nation. Chief agricultural officials are going up and down the countryside trying their best to bring the farm program into disrepute and the American farmer into disfavor. This laborious effort on the part of those in high places will fail because the consuming public now knows something about the facts of life on the farm front. The consumers of America will not believe that the farmers of America are irresponsible and reckless citizens who are not interested in the general welfare of the Nation. Consumers know that farmers are not trying to get something out of their Government either by fair means or foul, and intelligent consumers know that this price support program has not contributed unduly to the high cost of living.

The chief agricultural officer of the country has actually tried in devious ways to saddle the cost of our foreign-aid program on the bending backs of American farmers. He has presented fictitious, fallacious facts and figures and arguments to the people of the Nation. He has spoken in terms of many billions of dollars when you and I know that according to his own calculations the entire price-support program conducted by the Commodity Credit Corporation on all agricultural commodities, basics and nonbasics, perishables and nonperishables, over a long period of 22 years has only cost slightly more than \$1 billion.

The American people have the right to know the truth and they have the right to expect the truth from public officials in high places of trust and responsibility. This is no time for fancy, fiction, fallacy, or fraud. This is the time for a fair, frank, fearless, and forthright presentation of the true facts and figures involved in this much maligned program.

Merely because I was elected a member of the House Committee on Agriculture and have served on that committee during the entire time that I have been a Member of Congress certainly does not

mean that as a Representative of a great congressional district I am not interested in the welfare of consumers. Actually I have tried at all times to represent all of the people and not just a part or a segment of our economy. I represent consumers—all of the more than 450,000 people of the district I represent are consumers and this includes, of course, all of the producers of agricultural commodities. I am afraid that some of my colleagues are at times unaware of the fact that I am just as intensely interested in the welfare of consumers as I am in the welfare of producers who labor in the fields of America.

I can justify and I can defend the price-support program on basic agricultural commodities in this or any other forum. I know that it is definitely in the interest of both producers and consumers, and I know, too, that it has not increased the cost of living unduly.

Perhaps the average housewife does not realize that the price of food today is cheaper, in relation to the average family income, than at any other time in the history of the Nation. For 18 percent of the average family income in the current year the housewife can buy better, cleaner, and cheaper food than she could have acquired in the period from 1935 to 1939 with 23.8 percent of the family income. Perhaps the average housewife does not know or realize that when the price of wheat was going down the price of bread was going up. In early 1948 farmers were receiving \$2.81 per bushel for wheat. Now the price of wheat is \$1.91 per bushel. Yet in this period of time the price of a loaf of bread has gone up from an average cost throughout the Nation of 13.8 cents to a present-day average cost of 17 cents a loaf. While wheat prices declined 32 percent the price of bread was going up 23 percent. Since 1951 farm prices have declined 20 percent in relation to farm prices in 1947-49, but food prices have gone down only about 1 percent. Very little of the lower prices received by farmers since 1951 has been passed on to consumers in lower retail prices.

In 1914 the average factory employee could buy 3.5 pounds of bread with an hour's earnings. In 1929 he could buy 6.4 pounds with 1 hour's earnings. In 1953 he could buy 10.7 pounds of bread with an hour's earnings.

An hour's factory wage in 1953 would buy 1.9 pounds of round steak, compared with 1.2 pounds in 1929. The same hour's earnings will buy 2.2 pounds of butter now as compared with 1 pound of butter in 1929; 7.5 quarts of milk now, 3.9 quarts then; 2.5 dozen eggs now, 1.1 dozen then; 32 pounds of potatoes now, 17.7 pounds then, and on down the line in food items.

The 1-pound loaf of bread sells for 17 cents, as I have just noted. Of that 17 cents, the farmer's part is about 2 1/4 cents for the total amount of wheat in the 1-pound loaf. The price a farmer receives for a bushel of wheat would have to be reduced 75 cents to reflect a 1-penny reduction in the cost of a loaf of bread.

There is only about 30 cents worth of cotton in a \$3.95 cotton shirt. So if the producers and cotton farmers should give the wheat and cotton away there

would be very slight, if any, reductions in the cost of a loaf of bread or a cotton shirt.

The tobacco farmers in 1953 received about \$800 million for that part of their crop which was consumed in the United States. Now look what the consumers paid in taxes on that tobacco. Federal, State, and local taxes on the 1953 crop, by the time it reached the consumer, amounted to approximately \$2,100,000,000.

A spokesman for confectioners, who was urging our committee to remove peanuts from the mandatory price-support program, was forced to admit that even if the price-support program for peanuts was reduced from 90 percent of parity to 75 percent of parity the price the consumer pays for a 5-cent peanut candy bar containing about 1/2-cent worth of peanuts would not be reduced at all. Confectioners are making higher profits than ever before and yet it is plain to see a change in the price-support program would not benefit consumers. Actually, the amount the farmer receives for the raw agricultural commodities is so negligible when related to the ultimate cost the consumer pays for the finished product that the price-support program has practically no effect on the price consumers are required to pay. Again, I insist that we must improve our distribution system to the end that the great distance from producer to consumer might be shortened and made less expensive. The greatest cost of food is added after it leaves the farmer's hand. The cost of processing, handling, transporting, and distributing is all added after the farmer parts with the title and receives his small part of the consumer's dollar.

Actually, consumers have benefited by the farm program. Under the program on the basic agricultural commodities we have maintained a stability in supply and at all times consumers have had an abundance of all the vital foods and never has the program resulted in a scarcity which caused consumer prices to rise. Consumers suffer when there is a scarcity of any of the vital foods. The program was designed to bring about an abundant supply at a reasonable price to the end that both producers and consumers might be benefited in the long run.

Our Committee on Agriculture, in its report to the House on the farm bill, commented on this, as follows:

It must be noted that the largest reduction in the price of food in comparison with wages has occurred during the years of the development of the present program that has as its aim a parity of income for agriculture. It is evident, therefore, that consumers have gotten their greatest concessions in prices of food and fiber in the time of the growth of farm-income stability.

LET'S KNOW THE TRUTH

We knew when we embarked upon the price-support program that we were embarking upon a great experiment. We knew that we were entering a field which had not theretofore been explored in this great and vast country. It was never contemplated that the unlimited production of perishable commodities

should be supported at high levels. High level price supports on perishable commodities started when the world was on fire and the altars of freedom were threatened, and the farmers of America were persuaded by patriotic zeal to produce food for freedom. Farmers were told that food would win the war and write the peace. I shall not undertake to defend the potato program under Secretary Brannan, and I certainly shall not undertake to defend Benson and his butter.

Let me go back to the price-support program on the basic commodities. Has it been costly and financially burdensome? Let us take a look at the record. When Secretary Benson moved into the Department of Agriculture the books of the Commodity Credit Corporation's price-support program on the basic commodities, on January 31, 1953, showed a profit, believe it or not, of \$8,267,973. Exactly 4 months later, on May 31, 1953, a look at the record indicates that in 120 days profits had been wiped out and the program showed a loss of \$8,908,230. The last figures on May 31, 1954, show not only that the profits are gone but that losses have increased to \$130,739,501. The latest information furnished to me by the Department indicates that the profits on the sugar program, as of May 31, 1954, amount to \$309 million. It is plain, therefore, to see that even now if you subtract the losses sustained on the six basic commodities from the profits on the sugar program you will have a profit of \$178,260,499. How can you tell me any good reason why anyone would want to weaken or destroy a program which has operated so successfully and so well? I speak now of the program on the six basic commodities plus sugar which, of course, is a household necessity. So there you have it to date—a profit on the combined operations of CCC and the sugar program of \$178,260,499.

Let us look at the record again and see what the figures indicate for the first 21 years of the CCC price support program on basic agricultural commodities. The record shows that at the end of 21 years the program has cost less than \$21 million. The actual figure is, according to the record, \$20,700,000. The record shows that at that time, at the end of the fiscal year 1953, the profits on the sugar program amount to \$296 million. It is plain, therefore, to see that if you subtract the \$21 million CCC loss on all the basics from the profits earned on sugar you will have a profit of \$275 million. These are the facts and these are the figures, and this is the truth, and I challenge Mr. Benson or anyone who shares his views to deny the substantial accuracy of the figures I have submitted.

Is it not natural for those of us who know something about this situation to wonder why neither Mr. Benson nor his associates ever tell the people that the record shows that we have made a profit on the cotton program of \$268 million, and that we have also made a profit on the tobacco program? Is it not strange that neither Mr. Benson nor his associates ever mention the sugar program and the tremendous profits the program has

produced? Actually, the sugar program has worked so well and so smoothly, both in times of peace and in times of war, that the ordinary consumer and housewife is not aware of its existence. Yes, the sugar program and the tobacco program have worked so well that both Mr. Benson and the President have placed their stamp of approval upon both programs.

Those who talk so loudly and vociferously about the accumulated losses on the price-support program, seem to be wholly unaware of the fact that along with the accumulated losses we have enjoyed great accumulated gains or benefits. Certainly you will agree that in all fairness losses should be related to gains. During the same period of time accumulated farm income has amounted to \$264,150,000,000, or \$194,503,000,000 more than our agricultural income would have been had it remained at the 1932 level. So when you relate the one billion-plus to the two hundred and sixty-four billion-plus, you see just how negligible the losses have been. Let us further relate these losses that we are hearing so much about. Let us relate the losses to the accumulated net national income over the same period of time. This is really a figure for you. The accumulated national income for this period totals \$3,015,445,000,000. Now, relate the one billion-plus to the three trillion fifteen million-plus and you see just how inconsequential and how negligible these exaggerated losses have been. Actually, the losses of the CCC amount to only fifty-two one-hundredths of 1 percent of the accumulated farm income, and only four one-hundredths of 1 percent of the accumulated national income. If you take the losses on the price-support programs of \$1,374,825,203 and subtract the profits on the sugar program of \$309 million, losses will be reduced to \$1,065,825,203.

On what commodities was this loss sustained? Four commodities accounted for more than 90 percent of all the losses sustained by the CCC. Here is the breakdown:

| | |
|--|---------------|
| 1. Dairy products—butter, cheese and milk..... | \$203,096,107 |
| 2. Potatoes..... | 478,134,189 |
| 3. Eggs..... | 189,621,226 |
| 4. Wool..... | 92,156,532 |
| Total..... | 963,008,054 |

The total losses on the price support program on all commodities is as follows:

| | |
|--|-----------------|
| Basics and nonbasics..... | \$1,374,825,203 |
| Loss on dairy products, potatoes, eggs, and wool.... | 963,008,054 |
| Reduced loss..... | 411,817,149 |
| Profits on sugar program.... | 309,000,000 |

Total reduced loss on price support program, basics and nonbasics..... 102,817,149

It appears, therefore, that if you take into consideration the profits on sugar and eliminate the losses on the four commodities I have named, the total losses remaining are very small indeed—only \$102,817,149 over the long period of 22 years. And remember, no market-

ing quotas have ever been imposed on the four commodities I have named.

WHAT WILL MR. BENSON'S PROPOSAL COST TAXPAYERS AND FARMERS

When Secretary Benson appeared before our committee I asked him if he could advise us as to the cost of his proposal to reduce mandatory price supports on basic commodities from 90 percent of parity to 75 percent of parity. He had made no calculations and could give us no idea as to the cost, either to the Government or to producers. I have made some calculations, which I submit for consideration and which I challenge Mr. Benson to refute. Remember that for the first 21 years we had lost less than \$21 million on the CCC price-support program for the basic commodities, and in arriving at this figure I have not taken into consideration the profits on the sugar program.

COTTON

If Mr. Benson lowers the price-support program as he wants to do he would devalue cotton to the extent of \$23.50 a bale and the total loss to taxpayers and to farmers on their current crop would amount to \$451,580,000, or 21 times the amount that had been lost on all the basic commodities in the long period of 21 years. Just think of it. This loss would be sustained by the Government and by the farmers in the short period of 1 year. The Government now has 7,230,000 bales of cotton in inventories and nonrecourse loans.

WHEAT

This is what would happen to the wheat farmers and to the Government. The Government now has 878,620,000 bushels of wheat which would be devalued by Mr. Benson in the amount of \$390,241,000 and on the estimated 1954 wheat crop wheat farmers would lose the sum of \$326,146,000. This means that the taxpayers and the farmers would lose a total on wheat in 1 short year of \$716,387,000.

CORN

The Government has 803,617,000 bushels of corn. Mr. Benson, by lowering the support price to 75 percent of parity, would devalue this corn in the amount of \$232,447,000. This would be a direct loss to the Government. The 1954 corn crop is estimated at 3,311,000 bushels. If all of the 1954 crop of corn went through commercial channels to the market, it would be devalued by Mr. Benson's proposition in the amount of \$794,758,000. Only 20 percent of the corn will be sold on the market, so 20 percent of these losses amounts to \$160 million.

PEANUTS

The Government would lose on peanuts \$3,157,000, and the producers of peanuts would lose on the estimated 1954 crop the sum of \$23,400,000. Taxpayers and peanut producers would lose a total of \$26,557,000.

RICE

On rice the Government would lose \$1,215,000, and rice producers on the estimated 1954 crop would lose \$44,837,000. The Government and rice producers would lose a total in 1954 of \$46,052,000.

To sum up the losses on only 5 of the 6 basic commodities I have mentioned for the 1 year 1954, if farmers are subjected to the harsh and cruel treatment which Mr. Benson is so anxious to administer, the total loss in 1 year would be \$1,633,-023,000. This is greatly in excess of the total amount lost to date on the program which the CCC has had in operation for 22 years on all the agricultural commodities, basics, nonbasics, perishables, and nonperishables. Who is he to complain about losses when, if he believes in his own proposition, he would cause taxpayers and farmers to sustain more losses in 1 year than have been sustained from the beginning of the program up to this good day?

The truth is there is a lot of double-talk going on around Washington. The President thinks he won a great and sweeping victory when the House lowered the 90 percent of parity price supports to 82½ percent. Secretary Benson knows that the leadership was unwilling to stand up and fight for his proposition to reduce the support program to a flexible basis between 75 percent of parity and 90 percent of parity. It is said around here in high places that the administration would rather have the provisions of the 1949 law to go into effect on January 1, 1955, than to have the program now in operation to continue in effect after that date. This just is not true. All of this talk is just a threat. If the administration wants the law of 1949, why has the administration resorted to the ingenious scheme, the set-aside, in a desperate effort to mislead and to fool the public into believing that it stands for flexible supports from 75 percent of parity to 90 percent of parity when, as a matter of fact, this fallacious and fraudulent set-aside was deliberately devised for the one purpose of maintaining price supports at or about 90 percent of parity? This is definitely borne out by the testimony of Secretary Benson. Mr. Benson knows full well that the provisions of the law of 1949 are too harsh and too cruel to impose upon the farmers of this Nation or upon the economy of our country. He and his associates are smart, ingenious and insidious, so they resort to those devices, the deception and the fraud involved in this set-aside, make-believe program of fallacy and fancy. The very idea of trying to hideaway and set-aside \$2,500,-000,000 worth of cotton and wheat and other commodities and to go into some sort of trance and to hypnotize ourselves into believing that these commodities are not in storage and do not even exist. All of the commodities they are now complaining about are already set-aside. They are already in storage and Mr. Benson frankly admitted to our committee that he had no surplus-disposal program to offer. If Mr. Benson and his associates are honest and sincere in proposing the set-aside, they cannot hereafter advocate the provisions of the law of 1949. I shall not be frightened by the threat. I have no idea that the next Congress will ever permit the harsh and cruel provisions of the law of 1949 to go into effect. The very fact that officials of this administration have not been

frank and forthright in dealing with this great problem encourages me to believe that in the next Congress we shall see many strange and new faces. The farmers now should know who their friends are, and I believe they will let their wishes be known in the great referendum which is to be held in November.

If this farm program we now have in operation is a bad program, if it is unholy and wicked, unworkable and burdensome, why not abolish it and be done with it? There is not an intelligent man in America, in or out of Congress, who is familiar with the philosophy and the operations of the program we now have who is bold enough, courageous enough, or foolish enough, to advocate its outright repeal. As at least some proof of this I need only call attention to the fact that the administration now in power came into office to bring about a great change, and although the administration has now been in office for 18 very long months, no official of the Federal Government has advocated the repeal of a single law now "in the book" that is a vital part of the program we now have. If the program is bad, I wonder why the administration does not come out and say so. If it is good, why not hold on to it, strengthen it, and perfect it? Yes, if it is bad, why not make a frontal attack upon it and pull it apart and to pieces rather than to go around gnawing at its vitals? I think Mr. Benson knows that if we should abandon, abolish, or repeal the present farm program and all of its vital parts and parcels, we would wreak ruin on every man, woman, and child in America. We would find ourselves buried beneath the products of those who till and toil in the fields of our country. We would again be starving in the midst of plenty, but never shall that happen to our people again. Never shall American agriculture turn again to the ancient and cruel law of supply and demand. Never shall the American farmers knowingly produce themselves into bankruptcy again.

During the last two decades farmers cooperating with their own great Government have tried earnestly and diligently to keep production in line with reasonable consumer demand and to provide at all times an abundance of food, feed, and fiber to meet the needs of our own people. The farmers of America have a right to the legislative machinery and the programs that Congress has provided.

I take great pride in the fact that I have been permitted to participate in the preparation and passage of most of the legislation which has enabled us to build the great program now in operation. I shall not apologize for it but rather I shall defend it in any forum. I know that it is vital not only to the welfare of farmers but to the welfare of the Nation. If it should be repealed, abandoned, or abolished, this Nation would go into an economic tailspin and the economy of our country would collapse. Then we would be easy prey for the enemies of democracy who want to take over and destroy our cherished altars of freedom.

Through the years the Christians have prayed that our fields might be made to flourish and our people be made to prosper. We should thank the great God who rules the universe that He has blessed our land like no other nation beneath all His blue and bending sky has ever been blessed before. If we were in want and our storehouses were empty and our people were hungry, maybe then we would bend our knees and ask Heaven to bless us and to cause our fields to flourish. Here we are with our storage houses bulging with all that the good earth can give forth and yet we are fretting and complaining as if we were in great distress. We should be ashamed of those who regard these great blessings as a curse upon our people. Events of tomorrow are the secrets of tonight. Who among us knows what tomorrow will bring? Even now in many areas of our country our fields are parching, the ground is cracking, and the green fields are not flourishing. In other areas floodwaters sweep through the river valleys, bringing great distress and destruction. Thousands upon thousands of our own people even now are in want. Yes, tomorrow we may find that in our fight for freedom bread and butter may be better than bullets and bayonets.

Let us learn something about the arts of distribution and think of the woe and the want and the sorrow and the anguish of the peoples of this earth. There is some man, woman, or child somewhere out yonder in the world who needs and wants the food and fiber we have in such abundance.

Agriculture is big business. Agriculture is the art of arts and upon it we all must ultimately depend. If America is to be a prosperous America, farmers must be prosperous. A prostrate agriculture means a paralyzed America. Agriculture, labor, and industry must march together under one flag for one country and must not permit demagogues to divide them. If we are to live and to labor as freemen, we must realize that we are interdependent, one upon the other, and that one group cannot long prosper at the expense of any other segment of our economy. Let not those new apostles of freedom tear us apart and asunder. Let us come even closer together and counsel to the end that we might settle the problems that perplex us. Let us not be frightened by the products of our labor, but let us put to rout those who would cause a revolt among us as we seek to solve the paramount problems of our time.

Lower the boom and paralyze the farmers of America, if you will, and millions will walk again the dreary highways and streets looking for jobs and livelihoods. It is a shortsighted leadership that does not now know that farmers must be prosperous and that purchasing power must not be impaired if this Nation is to prosper.

The fact that the real situation has been so grossly exaggerated, magnified, and distorted, has prompted me to impose upon your patience and to submit these facts and figures, these observations and conclusions, in the ultimate

hope that you will agree that the present farm program should be saved.

Mr. CLARDY. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

Mr. Chairman, I do not think we should get any politics into this matter at all from the gentleman on the right. They have been indulging in politics with this program, buying votes and other things so long that I think they should leave that out in all decency and honesty. I am interested in this amendment because I am opposed to the philosophy upon which the entire giveaway program has been founded. I know it has been bipartisan more or less in its enactment, but it originated when we were not in power—thank God. But here we have before us an opportunity to express our agreement or disagreement with a philosophy that has failed. I know of no way in the world to judge a program except by experience. The more we have spent, and the faster we have spent it, the more countries and the more people have receded behind the Iron Curtain and the smaller the circle of our friends has become. I remember Manchuria. I remember the millions of rounds of ammunition and the guns that are today, and were being used against us in Korea and elsewhere. We are worrying today about what will happen with the arms and ammunition that have been given to the French in Indochina and we are wondering whether those things will be turned against us. I am wondering whether or not the arms and ammunition that we have delivered to France—France herself—will be used against us. And I am wondering if we do not have hostages to the Communists in the near future, if the move should be made within the time that some people think it may in the form of divisions we have planted in the midst of our enemies in a country that is today 25 percent Communist. We had better begin thinking about conserving our strength and our energy—to preserve our own strength so that when the final test comes, we will not be wanting in the things that we need. Another thing that I think we ought to be thinking about is this: I came to the Congress largely because I grew angry at the Congress continually giving the Executive blank checks.

I have not changed my opinion merely because there is a Republican administration in power. It is just as bad to give a blank check to a Republican President and a Republican administration as it was to give it to a Democratic administration.

Today it seems to me it is time we began to think about the thing that the gentleman from Wisconsin [Mr. LAIRD] said: "Do we need to do this, or do we need, instead of doing that, to try to tighten the purse strings, to be sure, before we vote one red cent, that we know where it is going to be spent and how it is going to be used." I do not have any faith whatsoever at the moment, in the direction in which we are going, if we are going to come out on the right side. I think we have gone down the road of disaster so far that unless we

stop, look, and listen, we are going to be isolated, not because we are isolationists but simply because our money has been used against us and it is being used today as it will continue to be used in France and in England.

If the political wheel makes one more turn in Britain, you have only got to remember what Bevin and Attlee said to know into whose arms England will fall in the event of a fight between the Communist world and ourselves. As a member of the Committee on Un-American Activities, there is no one can challenge my desire to lick communism.

I am in favor of the amendment and against the entire bill, because I think the philosophy behind it is unsound, and experience has proved that to be so. I hope the amendment will be agreed to.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HALLECK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, at times it seems just a short while ago that I first came here, and at other times it seems a long time ago. I came here about 20 years ago, at about the time things were beginning to develop in Europe that resulted in World War II. I well recall my service here at that time, when the debate raged as to just what this Government should do in respect to that conflict.

One of the things I voted for in 1935 was the Neutrality Act that was proposed by the administration then in power. I voted for many other measures, such as to ban shipments of goods in American vessels, and other subjects related thereto. Then, after a while, there was a request that we abandon that position, and measures like lend-lease came along. Now it is a matter of record that I opposed many of those measures before World War II. On occasion I have been severely criticized for what some people said was lack of foresight. I do not know that it avails much to review history, except to point out that in the years I have been here there has been trouble in the world, there has been controversy, and there have been wars, hot and cold.

I have observed that as wars broke out, somehow we wound up getting into them. And there was a lesson for me. I think it is worth noting that while many in this country opposed our entry into that war and did not like the fact that we got into it, as Americans we concluded that if America is in a war there is only one thing to do and that is to win it.

Everybody put his shoulder to the wheel to that end.

After we won World War II we searched for ways to win the peace. One of the reasons I did not want to enter World War II was that no one had ever shown me the arithmetic of how we could win the peace. In any event, after we won World War II I put my best efforts forward to try to do those things that would win the peace.

There are charges and countercharges as to who has been responsible since the end of World War II. Some of my friends on the right have been quite critical of some statements made by certain Republican people in high places in

Government. I saw very recently that the most recent candidate of the Democratic Party for President had some rather critical things to say of the foreign policy under the present administration. However, this is not the time to go into that. We must look at this situation as it stands now, in light of the immediate past.

The gentleman from Michigan, who has just spoken, says that he disagrees with all of this philosophy. He calls it a giveaway program. I do not think it is quite that; in fact, I know it is not that. I well recall when as the majority leader of the 80th Congress, a Republican Congress, I was called to the White House with other Republican leaders and at that time there was outlined to us a very dangerous situation then confronting Greece and Turkey.

We were asked to advance aid to Greece and Turkey in the hope that those two countries might be saved from communism. As the leader of that Congress I responded to the request. I think it is only fair to say that as a result of the help we have given those two countries, Greece and Turkey, they stand today as bulwarks of defense against the Soviet threat. I think they will fight if need be in the defense of freedom.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. CLARDY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Michigan.

Mr. CLARDY. Can the gentleman name any more besides the two countries he has just named?

Mr. HALLECK. Yes; I can. I can name a few more. If the gentleman wants me to be perfectly frank, and I assume he does, I voted for interim aid to France and Italy. Communism has not yet swept those two countries and I pray it will not, although as to their military strength I am not too sure. I may say to the gentleman I believe from everything I have been able to find out that there is an awakening to responsibility there and it may well mean for us a better situation.

Mr. Chairman, people refer to these programs as foreign aid. I wish we could get away from that misnomer because it is a misnomer. At the outset it was more a matter of economic assistance to help these nations get on their feet to the end that they might resist Communist infiltration and Communist aggression. Since that time as the program has progressed, what has happened? The economic end of it has come to be a very minor part of the whole program and, as it has come to be a minor part, military assistance has come into the ascendancy until today, I am informed, 85 percent of the money we appropriate is either for direct military assistance or for defense

support, which is approximately the same thing. If that is true, then it involves a vital part of the defense of this country.

I think in respect to our national defense we must achieve three types of balance. First we must have a balance between what we spend for the armed services and what action we take for the maintenance of a strong functioning economy at home, because, as President Eisenhower said when he came back from Europe to report, the Armed Forces are but the cutting edge of a great productive machine that is America. So we must strike that balance, and I give credit to the Eisenhower administration and this Congress for achieving what I think is a judicious balance between what we spend for arms and what we do to maintain a strong economy at home. Then we must have a balance between the services themselves, the Army, the Air Force, and the Navy. We are getting that balance. And then I come to the third balance, and I think this is equally essential. It is a balance between what we do for our national defense directly here at home and what we do for what some have chosen to call the maintenance of foreign military outposts. I realize that phrase carries something of a connotation that probably I should not challenge, but the fact of the matter is that we do have military establishments of our own as well as others in the hands of people we believe are friendly to us throughout the world where, upon an attack by the Soviets, there could be retaliation.

Now, who is there among us who would draw the defense of this country back to the Canadian border on the north, the Pacific on the west, the Atlantic on the east, and the Gulf of Mexico and Mexico on the south? In this day of aircraft that fly 600 and 700 miles an hour, everyone must certainly realize the peril of that position. The adequate defense of the country would not permit it.

So, what does that dictate? It dictates that we must not permit ourselves to become isolated. Instead, the more nearly we can isolate the enemy in this day of atomic warfare, the better off we are for the protection of our own country. It was not so long ago that the threat of the establishment of a Communist beachhead in the Western Hemisphere had us all concerned, and it was not so long ago that a couple of aircraft, presumably from the China mainland, were shot down in defensive action by our people, people who were in a place they had a right to be.

I say to you that the situation in the world is not good. We stand in a perilous situation. I am not despondent about it, but I say that this is no time to relax in the defense of our country. Of course, if anyone were so naive as to believe that the Soviet intentions are not what they have been demonstrated to be in recent years, then we could forget all about this; we could demobilize and quit spending \$45 billion a year for our national defense. But, does anyone here believe that? Too many mistakes in that line were made in recent years for us to make the same errors again. This bill has already been cut by the Com-

mittee on Appropriations. I think it has been cut to the bone. I know that is what the President thinks.

Let me tell you something. We were at the White House last Monday morning at the leaders' meeting—I think it can properly be told now—and we were discussing a number of matters that are before the Congress, some of them important and, I must say, some of them quite inconsequential. While we were there a very brief message about the two Chinese warplanes was brought to our attention. Such an incident causes you to pause. It makes you think. It makes you wonder just how important some of these other things are. Now, for myself, I trust that this amendment is defeated. I realize that many are distrustful of this whole program. Many, I suppose, cannot see much good in it, but on the other hand, if I am right and if you believe that it is an integral part of the defense of this great land of ours, then I say let us go on and pass this bill and not adopt the amendment to cut these appropriations further to the end that this program may be brought to passage and the defense of our country maintained.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

We have just listened for 12 minutes to a statement which in my judgment at least is a plea to us to go along with this three billion and more giveaway program. The gentleman said that it was not a giveaway program, but we know that that is what it is. That kind of talk makes me think of a fellow in my district who went out to shoot a bear. And this is what he did. Instead of taking his rifle and a real load, a rifle loaded with a real bullet backed by an adequate charge of powder, he loaded his old musket up with an ounce and a half of 7½ chilled shot. All he did was to irritate the bear—make him sore—which is what our donations to other nations has done—though unlike the bear they come back for more.

Instead of fighting Communists where they live, for years we have been sending our money and, as my respected and admired colleague the gentleman from Michigan [Mr. FORB] said, we have been scattering our guns, our money, and our ammunition all over the world. Billions of dollars of it. What is the result? We have been losing every single year and every war—for even the winner of a war is a loser.

Each year communism has gained because of the strength we have given it. Sure, as the gentleman said, they shot down two planes the other day. What are we going to do about it? Are we going along with Britain which insists we live with the Communists, join forces with the Communists? When I have it in for somebody, if I cannot do anything about it, I keep still. But if I can, I will hit him, and where it hurts. But I will not be building up his strength and furnishing him with the things that will help him in the end to destroy me.

I agree with my colleague from Indiana [Mr. HALLECK] in one statement.

That is that we cannot with safety confine our defenses to the coastline of the two oceans and the Gulf of Mexico—of course not. But that policy would not be any more unsound, if we were to try that, than to try to spread ourselves all over the world. That is going to the other extreme. Great and powerful though we may be—and we have been advised of that fact by those who ought to know something about it, we just cannot continue to exist if we insist upon spreading our strength all over the world. That would be an invitation to war—would make our destruction certain.

You remember that Britain used to boast that the sun never set on the British flag. We may now well say that the sun never rises in the morning, never goes down in the evening, but that it shines on the graves of American soldiers killed, if we judge by results, in a hopeless and a useless war.

Oh, yes—the President did say that there was a cutting edge and that our Armed Forces were the cutting edge of a great and powerful machine. He also, in substance, said that if we spent enough money keeping it sharp and grinding it, we could spend ourselves into an economic disaster. That by spending we could destroy ourselves just as certainly as spending ourselves into bankruptcy as by failing to arm and to be prepared for war. That seems to be what we are doing.

If what our military men tell us is true, that we have these destructive bombs, and we have these planes, and that we can win a war anywhere today, and if Russia means what some say she does—war—and if such acts as happened the other day are to come again, is there not some sensible course for us to take which will make us safe? Shall we continue merely to prepare ourselves? Instead of temporizing, instead of depending upon other nations which have had so much in the way of money and supplies from us, instead of depending upon them when they have declared to us time and again that they wanted to take into the family council the very nation which was responsible for shooting down that plane the other day—instead of listening to them, if we are to fight, if that is the proposition, and if there is no escape why not meet the issue by striking at China?

No one wants war. But if those who want a policy which means war why be caught asleep—why continue to fight a succession of Russia's controlled nations?

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I should like to see if we cannot agree on a time for closing debate on this amendment and all amendments thereto.

I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 25 minutes, the last 10 to be reserved to the committee.

Mr. GAVIN. I object, Mr. Chairman, unless I may have 5 minutes. I was on my feet before the chairman rose.

Mr. TABER. I had figured that this request would include time for the gen-

tleman from Pennsylvania. Maybe I am wrong.

Mr. Chairman, I move that all debate on this amendment and all amendments thereto be limited to 25 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, everybody agrees that we face a grim and deadly threat from the Soviets. There are some of our brethren who, if we must fight, would apparently rather fight them here in the United States and fight alone. I would prefer that if we have to fight we fight away from home and not do all the fighting alone. That is the basis of this bill.

Criticism has been made of the study and report of obligations made by this committee as if "June buying," the distortion of obligations were something new. I first saw this practice back in lend-lease days when we found you could not be sure what was meant by an obligation. I congratulate this committee, however, on doing something about an old evil. This committee has already acted on its criticism of obligations by cutting this bill. This committee has already cut \$165 million in new money and \$265 million in unobligated balances, a total of \$430 million, out of the bill, which reduces the request of \$1,430,000,000 which was carried into the authorization bill nearly one-third. That means this particular item for military aid has had a cut of nearly one-third now. The present amendment would cut out \$300 million more. I hope the amendment will not prevail. All of this military program is built up out of what they call Joint Chiefs of Staff force goals. These goals are about three billion below the requests of our own military advisers in the various foreign countries, according to testimony given our committee.

Let me read from page 64 of the hearings before the Appropriations Committee, and let me point out to you how General Stewart, who is in charge of this program, described this money that we are talking about that Members say can be reduced further:

Mr. GARY. Are there any portions of those funds which are not programmed?

Mr. O'HARA. Do you mean of the unobligated balance?

Mr. GARY. Yes.

Mr. O'HARA. There are a few items shown on the tables that are not firmly programmed yet.

(Discussion off the record.)

General STEWART. There is not \$1 of unobligated funds in this entire program that is not represented by an established, screened requirement. If there are some dollars, as there are in this program, that are not for legally or administratively approved programs, it is because of the fact this program never stands still for a minute. It is changing constantly, and there are periods when during a change there will be a certain amount of money that is not yet on a certain approved program. There will be periods when we first get the money when we do not have the programs finally approved, but the total requirements we are trying to meet far exceed any funds that we have.

Mr. TABER. What do you mean by requirements?

General STEWART. If you will take the forces in each country that we have agreed to contribute equipment for, and if you take the total deficiencies of those forces that we, under our criteria, will fill, and add them up, they far exceed the total value of what we have programmed. We have not spent all this money. Some of it is not legally obligated, but I certainly hope we can make it clear that every dollar is represented by an established need.

I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I am sorry my very good friend, the majority leader, is not present because I just wanted to call to his attention that we are \$275 billion in debt. A million dollars is a thousand thousand dollars and a billion dollars is a thousand million dollars, and we owe two hundred and seventy-five thousand million dollars, which future generations of Americans by the sweat of their brow, must produce the money to pay the taxes to pay the bill. I also am a firm believer in national defense, but I do think we are scattering our hits in so many different directions, that if we were called upon to win a game, we would not be able to do so. As to this \$300 million proposed cut—it is my opinion it is in order. I am for national defense here at home—first, last, and always. I want to see this Nation build up the greatest military strength that we have ever had to meet the demands that may be made upon us at any time at any place in the world; that is, building up our own national defense in our country. However, when we get into these foreign aid programs for defense, it is questionable, so far as I am concerned, in view of the fact that it is not designated where the money is to be allocated, what these countries actually would do if we were suddenly catapulted into an emergency—I do not know. We have been putting billions and billions of dollars into the defense of Europe. The French after 4 years have given no indication they will go along with EDC. Italy has given no indication of participating in EDC. We are making every effort to persuade them to join in EDC to build up the defense of Europe, but evidently they do not care to participate with us. We are pouring all this military equipment into Europe. If the Russians would move, which I doubt very much, but they could move to the English Channel as fast as mechanized equipment could take them, they would take over the great industrial centers, air bases, military warehouses and military depots. Then what would become of this equipment we have been pouring into these countries, I do not know. I think we ought to proceed just a bit more slowly and more carefully and find out where we are going and what this money is going to buy and what countries are going to receive it. We should build on strength and not weakness. It took us 4 years to wake up to support Spain, our friend, a great country that is anti-Communist. They had one million casualties in the Spanish civil war, they

know what communism is all about. It took us 4 years to recognize the fact that they wanted to participate with us in the defense of Europe. The Germans are now begging us for rearmament. We have a number of divisions in Germany now. If the Russians move in a pincer movement, they would take over these forces and we would find ourselves in a very difficult position. It is time to rearm Germany; it is long overdue. But still we will not go ahead and recognize the fact that the rearming of Germany, with 25 divisions on the line in Germany, would do more to stop the threat of Russian communism than anything else that we could do.

Back in July 1950, I made the following statement—it applies now as it did then—and I quote:

In order to construct an organized and effective defense force, we must first undertake to determine, approximately at least, the probable size and strength of the forces which the Soviet Union could put in the field in that theater. I have heard various estimates presented to the committees of the House and the Senate, and have read numerous articles in newspapers and popular magazines. Most qualified observers, though, agree that the Soviet Union could, within the first month or 6 weeks following the beginning of a war, place between 100 and 125 fully armed, well-trained and equipped divisions on the western front, between Stettin and Trieste. Within 6 months to a year they could increase this by at least another 100 divisions. So far as tactical air support for ground units is concerned, that is, in close support of land armies, the disparity in forces is so great that I should hesitate to venture an evaluation. At this point, there may be heard the remark that the Russian Armies would outrun their supplies and thereby immobilize themselves. This is not the case. As long as there were no major contending armies in Western Europe, to oppose the Russian advance, there could be no large battles. Major battles and sustained conflict are the principal causes of the consumption of war materiel, such as artillery ammunition, aircraft, and fuel. The Soviet armies are accustomed to living off the land, and their requirements for the individual soldier are comparatively simple. Assuming that they would assemble large reserves of food and gasoline before launching a major offensive, I do not believe that in the absence of a strong opposing force the Red army will halt short of the English Channel, the Pyrenees, and the Po Valley. In short, they will not stop, but must be stopped.

In order to be in a position to oppose major Russian offensives against Western Europe, the nations with which we are allied and to whose defenses we are pledged should be able to interpose an effective force equal to not less than 50 percent, and preferably 70 percent, of the initial Soviet striking force. In estimating these requirements, I disregard such intangible political factors as Communist disaffection in the Western European countries, with the attendant possibilities of sabotage, riots, and so forth. In short the Atlantic Pact countries, including Great Britain and the United States, would need, within the first 6 weeks or 2 months after the outbreak of war, a force of some 60-70 divisions. At the present time, including the United States forces in Europe, we would have available only some 25-30 divisions at most. For example, the French Army, which in 1939 mobilized over 100 divisions, could today put from 8-12 divisions in the field, even disregarding the struggle now raging in Indochina. Holland and Belgium,

whose armies formerly consisted of 8-10 divisions each, now could only account for 5 or 6. Contributions of the other Atlantic Pact countries are likewise small, and would require considerable time to mobilize.

I have examined this problem for a considerable period of time, and have sought the best information available. As I have stated previously, I had an interview with General DeLattre, former chief of the French Army, and now commander of the ground forces of the Atlantic Pact nations, in December of this past year. This experienced soldier and determined leader told me that he was glad to have the assistance of the Italian Army, and would likewise welcome the Spanish infantry. Even assuming, though, that Italy, handicapped as it is by the limitations of the peace treaty, could organize, equip, and train a force of 6 to 10 divisions, and that Spain could furnish the equivalent of 5 to 7 more, we are still woefully short. Unless we propose to launch our counteroffensives on the beaches of Normandy, and the southern slopes of the Alps, we must have more troops. As a simple matter of arithmetic, whichever way strategists sum up the military conditions, and regardless of detailed estimates, concerning which I shall not quarrel with anyone, we must have the equivalent of at least 25 German divisions, if we are to defend western Europe. It is only by this means that the overwhelming preponderance of the Russian armed forces can be balanced. I regret as much as anyone that the high hopes of 1944 and 1945 concerning world disarmament and the United Nations have not been realized. At the same time, we cannot disregard the continuing buildup of Russian strength, and allow the weakness of our own forces and those of our potential allies to continue. Nor do I welcome a resurgence of German military might, which has twice within this generation required the sacrifice of American manhood on the battlefields in Europe. But we cannot meet the present danger by concerning ourselves with past problems.

In my opinion, this military situation calls for a fresh, constructive, and coordinated program which will permit western Europe, without restoring German militarism, to utilize the capabilities, resources, and determination of the 45 million people in western Germany in the organization and defense against Russian aggression. I am confident that if we give this matter our attention, results can be obtained. One method, which may not necessarily be the best, was suggested last fall by the London Economist, namely, the organization of German infantry units as part of the overall Allied land army. Whatever means are adopted, we must face the realities of the situation; and the sooner we organize the available—and indispensable—military resources of western Germany, the better we shall be prepared. Whether we like it or not, the division of Germany is complete. And, it is necessary to treat the Germans in our sector as European citizens, with equal rights, and with equal obligations for the defense of their homeland.

Along with the integration of Germany into the economy of Western Europe, and the organization of an effective military establishment incorporating and utilizing the capabilities of the German people, we must reexamine the strength and purpose of our occupation forces in Europe. Our small contingent there was organized to deal with problems of military Government, in the immediate postwar period, and to provide a force capable of meeting any insurrection. Surely, no one believes today that the mission of our forces in Germany is to prevent uprisings in Frankfurt or Munich. Our forces in Europe should be reorganized and strengthened, for the mission of providing a striking force capable of rapid mobilization. They should be organized and equipped to

assist also the components of the Western European countries, including those to be raised and trained in Germany. This will require, in my opinion, substantially larger forces than we now have in Germany, particularly with respect to the Air Forces, and the mechanized elements of our ground forces.

To sum up, we have undertaken, during the postwar period, the organization and defense of Western Europe. We have invested very substantial sums for this purpose; but such expenditures cannot be continued indefinitely without threatening our own economy. It is generally recognized that one major deterrent to the economic recovery of Western Europe is the dread of Russian invasion. By incorporating Western Germany into the economy of Europe, and by mobilizing the military potential of Germany, we can achieve a twofold purpose. We shall reduce the drain upon American resources and the burden of the American taxpayer. We shall provide the underlying conditions for political stability and confidence, which are so essential if Germany is to achieve self-support and attract the capital investment required to provide employment for the present population. At the same time, we can restore the hope and confidence of the German people in their ability to defend their homeland.

Such a program calls for a new examination and a fresh start on our part. It will also call for some assistance, both economic and military. However, the most valuable form of assistance, whether to an individual or to a nation, is that which encourages further effort, and does not constitute a continuing dole. Almost 5 years have passed since the end of hostilities in Europe, and time is running out for us. Let us embark now on a program which will merit the support of the American people, encourage the efforts of those Germans west of the Iron Curtain, in helping Europe rebuild its economy, and prepare its defenses.

At the time I made that statement on the reexamination of our German policies, 5 years had passed since the end of the war and now 4 more years have passed and no action has been taken on the rearming of Germany.

We seem to be still waiting for the State Department's agonizing reappraisal of our situation in Europe. I wonder if we must continue to defer the rearming of Germany until the French and Italians make up their minds. Time does not stand still and this move is already 4 years overdue.

It seems to me that our continued aid to France and Italy on a large scale may merely postpone their action instead of expediting it. Certainly the foreign aid program has continued a long while and the justification has changed remarkably.

It is doubtful, in my mind, if a continuation of this spending will bring about the ratification of EDC by France and Italy.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I have news for the gentleman from Pennsylvania [Mr. GAVIN], my good friend who always delights us with the same kind of speeches. We are in an emergency. We do not have to wait for one. We are in one right now. Let us call the roll on where this money for military assistance is going sought to be cut by \$300 million: Greece, Turkey, Pakistan, Iran,

the Philippines, Formosa, Thailand, and what is left of Indochina, the independent states of Laos and Cambodia and South Viet Nam.

There is one thing I cannot do. I cannot undertake to convince a number of the gentlemen who have spoken. Some have been frank enough to say that they will vote against the bill anyway, so I must direct my remarks to those who sustained this program a few short weeks ago, and who are now concerned with whether the cost which is put before us is legitimate. It is legitimate, for this reason: What the gentleman from Wisconsin, Mr. DAVIS, has sought to cut are what he calls unobligated funds, but he has not tried to cut new appropriations at all. The new appropriation has already been cut by the Senate committee \$165 million. This committee itself has already taken off \$265 million of the unobligated funds. I will assume that in the conference they will try to work that out with the Senate, based upon the real needs. But the cut of the gentleman from Wisconsin is a meataxe cut, because every dollar of this money is programed. That means it is promised to one of our allies in a military sense.

Let me call attention to the statement in the report of the Committee on Foreign Affairs when we brought this bill up in 1954:

Nineteen hundred and fifty-four will see a 5 percent increase in ground force strength, a 15 percent increase in naval strength, and a 25 percent increase in air strength in NATO.

These unobligated balances are the amounts of money which will go under contract as soon as model questions and similar plans are decided upon, but they have been programed. That is the reason for the force goals which we are talking about in NATO. That is the reason for the increase in military strength.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. DAVIS of Wisconsin. The gentleman is certainly using a very loose interpretation of the word "programed." If the gentleman is so sure that all of this money has been programed, I hope he will be good enough to tell us where it is programed.

Mr. JAVITS. I have just given the facts and the figures from the Foreign Affairs Committee report on the MSA bill. General Stewart testified that you cannot actually sign a written contract for every dollar that is programed and committed generally for technical reasons. The whole House is against the improvident signing of contracts until they are really ready to be signed. By "programed" we mean that every dollar has been promised to a country in return for their promise to build up our strength as in NATO.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from West Virginia [Mr. BAILEY] is recognized.

Mr. BAILEY. Mr. Chairman, when I sought recognition I had in mind expressing my views on the general appropriation and not on his particular

amendment. At this time I ask unanimous consent that my time be transferred to the gentleman from Virginia [Mr. GARY], a member of the committee.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Vermont [Mr. PROUTY] is recognized.

Mr. PROUTY. Mr. Chairman, modern man has been defined as the mess we are in and I think most of us will agree that that definition is a rather apt one. That we are living in a very sick world is beyond question. The poisonous political and economic infections which threaten it must be matters of deep concern to us all, and certainly events which have occurred in southeast Asia during the past several days and weeks offer no valid grounds for increased optimism or complacency. We find ourselves going through the greatest crisis in history, and to ignore this fact will only add to our peril.

I recall a story which appeared in the text of a speech written by a scientist who participated in the development of the first atomic bomb. This story, a distorted version of the theory of evolution, goes something like this:

One nation dropped a bomb on a second. The second nation retaliated and before long bombs were falling all over the world. But the war didn't last long because it was an atomic war. Every living creature on the face of the earth was destroyed; that is, except two monkeys living on an island in South Pacific. They sat huddled close together almost paralyzed with fear. The sea was boiling; the sun was obscured by the dust clouds in the air and the palm trees were uprooted and denuded of their fronds by the fury of the winds.

After a seeming eternity of violence calm returned to the island. The monkeys surveyed the complete and utter desolation which surrounded them. Finally one of them pulled his mate closer to his side, put his arm on her shoulder and said: "Darling, should we start this all over again?"

Properly told there is an element of humor in that story. Obviously it was not properly told this afternoon. But it does emphasize the perils of the Buck Rogers kind of civilization that we have created. The Mutual Security program will not solve all our problems, it will not produce miracles but it will contribute to the security of the United States and to that of the free world generally. Indeed, it cannot be justified on any other basis.

This is not a giveaway program in the sense that it constitutes charity. It's an effort on our part to assist the freedom-loving nations to develop greater economic and military strength so that they, in turn, can add to our strength in the struggle against Communism. It is a vital part of our own national defense.

I hope that the pending amendment will not be agreed to. The Committee on Appropriations has done an excellent job. It has made substantial cuts where these could safely be made. But we

should not jeopardize the program, we should not endanger our own security by further reductions.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, I sincerely hope that this amendment will not be adopted. It strikes at the very heart of the bill in that it strikes at military assistance.

The bill as a whole, as you know, has been reduced by \$812 million below the original request, or about 13 percent, and in terms of funds available for obligation in fiscal 1955 as compared with those available in fiscal 1954 by \$1,700 million, or about 25 percent.

This amendment would add \$300 million to those figures bringing the amount below the request to the extent of \$1,112 million and below the funds available for fiscal 1954 to the extent of about \$2 billion.

Mr. Chairman, this is a drastic cut. It is drastic in comparison with the views which the President has expressed. It is drastic in comparison with the views which I believe to be held by the Secretary of State, by General Gruenther, and other military leaders. If adopted, it could be interpreted abroad as a very drastic cut.

Mr. Chairman, we are in the midst of a cold war. We need all the military power that we can possibly develop. Military power is vital not only to our own defense but to the defense of the free world.

Eighty-five percent of the funds carried in this bill are for the purpose of developing military power. The item for military assistance has already been cut to the extent of about \$430 million. This amendment, if adopted, would increase the cut to almost three-quarters of a billion dollars and leave us with funds available for obligation for military assistance in fiscal 1955 below those available in fiscal 1954 to the extent of over \$1 billion.

Mr. Chairman, the proposed cut is too drastic. The pending amendment should be defeated.

Mr. MOULDER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MOULDER. Mr. Chairman, I am supporting and will vote for both of the amendments offered by the gentleman from Wisconsin [Mr. DAVIS]. I am informed that there is an unexpended sum of approximately \$9 billion for military and economic aid for foreign countries. This bill, H. R. 10051, appropriates an additional \$5 billion.

Mr. Chairman, yesterday I introduced a bill, H. R. 10058, which, if passed by Congress, would provide \$1 billion for emergency relief in the drought-stricken areas of the United States. The bill would establish a program for the purchase of beef and cattle in drought-stricken areas for distribution to schools, hospitals, and the Armed Forces with

adequate provision to assure the farmers at least \$10 per 100 pounds for utility grade cattle; purchasing grains and feeds from the Commodity Credit Corporation for distribution in drought-stricken areas; establishing a program of 30-year loans to assist in drilling wells in areas where the water supply is exhausted; and providing such other forms of assistance as the President may deem appropriate to combat the effects of the drought.

Now, if we are financially able to appropriate billions to assist in economic aid for the people of foreign countries, then for the sake of America, why can we not afford one of such billions for our own people who so sorely need and deserve such assistance as never before in the drought-stricken areas? The Davis amendments propose to reduce this appropriation for foreign aid by \$512 million. That is a lot of money and it would go a long way toward giving aid to the farmers in the drought-stricken area as provided in my bill. Do you not believe our first obligation is to our own taxpaying American citizens?

Congress has been authorizing foreign expenditures on the recommendation of policymakers in Government who see the world through the eyes of international industrialists and financiers. Neither they nor Members of Congress would for 1 minute sponsor these elaborate overseas expenditures if their own capital were known to be the source of such funds. It is easy enough to tax the citizens and spend their money, and then exercise their legal powers to tax more to make up the deficits. It has seemingly become a fixed policy to feel that the citizen is no longer to be considered.

America has fought foreign wars for 40 years; the Congress has imposed the taxload to the limit of endurance; it has squeezed the farmer and industry until their reserves, once considered the backlog of our economic structure, are now depleted. It has issued paper IOUs to the tune of \$2½ billion and exchanged them for the savings of sacrificing citizens. It has created agencies guaranteeing contingent liabilities which make the Government the possible final arbiter for another \$200 billion.

It is an historic fact that individual nations will conform to an international policy only as long as it greatly serves their own local interests. The fact that many among the free-nations group are necessarily influenced by economic and political developments in their new neighbor nations means that it follows that any ties with the United States must be subject to these unpredictable influences. Judging from vacillations on the part of a number of key nations considered essential in the alignment of anti-Communist powers, we seriously doubt the stability of our association of allies if and when the real test of their determination to resist aggression becomes imminent. Without a determined will to resist aggression, without a patriotic devotion to the ideals of freedom, no amount of money or military hardware can insure the United States the

total assistance needed for a united, firm stand among the free nations against aggression.

If, as it appears in many nations, today's threat of communistic infiltration is so lightly taken, no amount of money, economic aid, or American persuasion will prevent Russian influence from strengthening its hold on these people.

Just as long as America continues to promise unlimited help, just so long will these nations be content to remain supine under the possible hope that America will bail them out of their economic and military difficulties. Except as foreign aid promises specific and direct defense benefits to America, any foreign funds not so allocated should be withheld to aid our own American economy and American citizens.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I trust that no partisanship will be brought into the discussion of this bill. The Marshall plan, which was the forerunner of the present program, was recommended by a Democratic President to the 80th Congress, which was a Republican Congress, and was approved by that Congress. So, both sides of the aisle may share the credit or the blame, whichever you may consider it, for this legislation.

Now, let us look briefly at just what this amendment proposes. It would cut the unobligated balance for military assistance by \$300 million. The committee has already cut that unobligated balance by \$265 million and in addition has cut the appropriation for new money in that category by \$238 million, making a total cut by the committee for military assistance alone of \$504 million. The gentleman from Wisconsin would cut those funds \$300 million more, and in addition he stated during the general debate that he proposes to offer another amendment to cut \$200 million more from the appropriation of new funds, which would mean a total additional cut of \$500 million over the \$500 million which has already been cut from the military program.

Mr. Chairman, I do not believe there is anybody in this House that gets much satisfaction out of the manner in which the Korean war was brought to an end. We have no agreement there today. I am certain that no one in this House is happy over the settlement in Indochina. Does anyone believe that this is an end to Communist aggression? If so, it would be a victory. But, before the ink dries on the articles of agreement we see further acts of aggression on the part of the Chinese.

There was never a time in history when the free nations of the world needed to stick together more than at the present. Our Secretary of State has said time and again that one of the chief factors of our mutual defense is the European Defense Community. He has also emphasized the fact that we must have a Pacific mutual defense pact if we are to contain communism in the Pacific. Now, at the time when the Secretary of State is negotiating for these two vital agreements with the free nations of the

world, if we do anything to indicate that the Congress of the United States is going to withdraw its support it may be fatal to the acceptance of those pacts.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman.

Mr. GAVIN. The gentleman says that we all ought to stick together in EDC. Can the gentleman tell me why, after 4 years, the French and Italians have not ratified EDC so we may build up the national defenses of Europe? Are we to continue pouring in more billions in the hope that they will eventually ratify EDC? Has the gentleman any idea why they have not ratified that pact after 4 long years?

Mr. GARY. I will say to the gentleman that I cannot say why they have not ratified it; but I can say that the Secretary of State still has very strong hopes. He told our committee that he felt that the agreement with reference to Indochina, made at Geneva, improved the chances for the ratification of that pact. But I will say to the gentleman that any evidence of withdrawal on our part at this critical point of the negotiations will go a long way toward checking the ratification of the European Defense Community and the organization of the Pacific pact.

Mr. GAVIN. Giving millions of dollars to these programs certainly is not evidence of withdrawal.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. DAVIS].

The question was taken and; on a division (demanded by Mr. DAVIS of Wisconsin) there were—ayes 64, noes 92.

So the amendment was rejected.

Mr. TABER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 2, line 9, strike out "\$27,285,000" and insert in lieu thereof "\$27,825,000."

Mr. TABER. Mr. Chairman, I just want to say that that resulted from a printer transposing the figures. The figures I have just presented correspond with those in the committee report and what the committee agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was agreed to.

Mr. SMITH of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this House should remember that the appropriation bill before us is really a \$12 billion spending bill. This is three times what the FOA can spend. The bill should be defeated.

Mr. Chairman, the argument in this debate seems to revolve around the desirability of adequate military defense. No one on this floor, I am sure, would want to see anything but adequate defense all over the world wherever we were called upon to defend our interests. I submit to you, however, that if this is a military matter the Foreign Operations Administration is not the agen-

cy to carry it on. This is a matter for the Armed Services Committee.

I say that the Foreign Operations Administration or Mutual Security, whatever you want to call it, has always been inept in the administration of this legislation. The gentleman from North Carolina has already called attention to that situation. Here I want to compliment the committee on a very frank statement contained in the report regarding this agency. I refer to page 5. I want this in the RECORD, because it clearly indicates the weakness of administration.

On page 5 of the report, and again on page 7, is contained one of the most scorching indictments of a Federal agency that I have ever read. Here is a portion of the report on page 5:

It has already been determined that questionable practices, involving substantial sums, are being followed in the classification and recording of transactions as obligations. They range all the way from plain clerical errors (\$47,800,000) to amounts exceeding limitations stated in letters of intent not yet converted to definitive contracts. Substantial sums are included for lump-sum contingent amounts contained in contracts for spares, spare parts, engineering changes, and the like for which there are no definitized orders and which appear to amount in effect to nothing more than an administrative reservation of funds against possible future purchases. Contracts entered into in 1951 and earlier years, practically dormant for many months, are also included. There are other categories of questionable firmness such as canceled orders not yet removed from the books, excessive cost estimates, lower stock prices promulgated subsequent to the original requisitions, etc. The conditions found closely parallel those reported in March 1954 by the Comptroller General on obligations for regular aircraft-procurement funds in the Navy and Air Force.

Similar tests were made of selected obligations reported as of May 31 under non-military programs. Many instances were found of outstanding obligations with considerable age which were possibly out of date as well as many instances where there was a direct question of validity from a standpoint of legality and firmness.

Mr. Chairman, the administrator of this program should not be very proud of this indictment.

But more denunciatory than the above excerpt is another on page 7. To me it is nothing less than a charge of dishonesty in administration. Here it is:

JUNE BUYING

Examination of rates of obligation in fiscal year 1954 under several mutual security appropriations disclosed amounts for June 1954 so high as to be far above and beyond any normal relationship to rates of prior months. From an analysis of the underlying details, including examination of a number of specific documents forming the basis for such amounts, the committee can only conclude that there was a deliberate effort to tie up or dispose of available funds before the June 30 deadline. The finger points clearly to various forms of "June buying" to get rid of "hot money" as basis for support of 1955 requests, a practice long condemned by the committee and on which, as late as April 26, the Director of the Budget issued a directive to agencies cautioning against such practice late in the fiscal year.

I submit to you if that is the way this agency is handling its business it is

about time some changes were made. I would suggest to the administrator that he stay home and do his homework instead of chasing to all parts of the world trying to effect trade agreements with countries behind the Iron Curtain. It is his responsibility.

Before I conclude my brief remarks Mr. Chairman, I want to compliment my colleague from Wisconsin, Mr. DAVIS, for his very able presentation of his amendment. It should carry. And to my other colleague, Mr. LAIRD, for his forceful argument in support of the Davis amendment. I am proud of these promising young men in the Wisconsin delegation.

Now, Mr. Chairman, what this bill before us really amounts to as a matter of fact is whether or not we are going to have fiscal responsibility in this Congress. I say to you that so far as I am personally concerned it is evidence of fiscal irresponsibility. This cannot continue.

The Clerk read as follows:

Southeast Asia and the western Pacific: For assistance authorized by section 121, \$712 million;

Mr. DAVIS of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Wisconsin: On page 2, line 22, after the comma, strike out "\$712,000,000" and insert "\$500,000,000."

Mr. DAVIS of Wisconsin. Mr. Chairman, this amendment has the same basic reason as the one which preceded it, that is, to voice my objection to the continuance of blank-check appropriations in the field of foreign assistance.

I hope that this amendment will not be used as the vehicle for discussions which go considerably beyond what I have in mind in offering it. When this matter was presented to our subcommittee, it was on the basis primarily of a program of military assistance for this part of the world. Then the day before we had our mark-up session, the truce in China came along which, of course, changed the whole concept of the kind of program which was going to have to be carried on there. The language we heard was, "Well, yes, we are not going to be able to use this amount of money for military assistance, but we are going to have a great number of refugees"—which by some magic suddenly became the responsibility of the Government of the United States to handle. And this was the money which was to be used for that purpose.

I am aware that I am talking about a very critical area of the world, but this amendment does not strike out the appropriation for it. What it does is reduce the figure of \$712 million which was the amount that was justified to the subcommittee for the purposes primarily of military assistance and it reduces that to \$500 million, which is certainly more than they can use if they spend it at the same rate that they said they were going to spend it. It is certainly more than they can use until sometime next spring when they will have a better opportunity in the executive department to re-

evaluate and develop a new program in keeping with the changed conditions of this part of the world and give the Congress a chance to be better informed upon it.

I might call your attention to the fact that last year out of some \$745 million, which was made available for this part of the world, less than \$100 million of that amount had actually been expended during the fiscal year 1954. I simply do not like the rationale which says that they will not use it for the purposes that they justified it, but they will probably need it for something else so we should give them the same amount of money. Certainly, if it happened in any other subcommittee that they came in and justified a number of million dollars for airbases in Spain and then the day before we got ready to present it to the House of Representatives, as our recommendation, if they came in and said, "Oh, no, we cannot use it for airbases in Spain, but we think we are going to have to build some barracks in Ethiopia." I think you would be highly critical of such a subcommittee, if we brought in a recommendation for the same amount of money and asked you to follow our recommendations to use that same amount of money which was justified for airbases in Spain for some nebulous program of building barracks in Ethiopia. I think it is just too much of a coincidence that they are going to need the same amount of money—exactly the same number of dollars for a program for refugees or whatever else it might be for in this part of the world as they told us they were going to need for a military assistance program. I think it is the responsibility of the Committee on Appropriations and it is the responsibility of the House of Representatives to consider a revised program, when such a revised program has been made up and has been presented to the Committee on Appropriations.

This amendment does not affect the authorization. The authorization is there. We will not have to go through that again when the next Congress convenes, but it does affect the amount of money involved and it would require the FOA to come back in January before the Committee on Appropriations and say, "This is what happened since the truce came in Indochina. This is how we have obligated the \$500 million which was provided. This is why we need the \$212 million that you did not give us last July." I think it is reasonable to expect them to do that, and I submit that this reduction will not cripple the program in any part of the world, but it will give recognition to the responsibility of this Congress to know for what we are appropriating the money for and why.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. BUSBEY. I wish to compliment the gentleman from Wisconsin for offering this amendment, and also to commend him on his presentation of the arguments in its behalf in such a clear, concise, and logical manner that I think the committee should accept his amendment.

Mr. DAVIS of Wisconsin. I thank the gentleman.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. HAND. May I also call to the gentleman's attention that the record of the hearings on page 160 show the following:

Mr. TABER. So that you have available \$783 million, or just a little over twice what you delivered this year, indicating that you have 2 years of funding on this item.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. DONDERO. How do we know that even \$500 million is the exact amount that they can use?

Mr. DAVIS of Wisconsin. They certainly do not, but I offered the comparatively small amount of reduction in the hope of increasing the chances of the adoption of the amendment.

Mr. CLARDY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. CLARDY. Is it not a fact that France is now relieved of the burden of carrying on the war in that area, so that she should be able to take care of the refugee problem?

Mr. DAVIS of Wisconsin. I hope she will do a better job of building up than she did in taking care of that which existed before the truce.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I rise in opposition to the amendment.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. TABER. Mr. Chairman, I wonder if we cannot get an agreement to close debate on this amendment. I am going to suggest that after the gentleman's 5 minutes there would be 1 speech of 5 minutes for the amendment and 1 speech of 5 minutes against, the last one being reserved for the committee.

Mr. HAND. I would like to have a little time.

Mr. TABER. I will amend the request to make it 2 speeches for and 2 speeches against. I think that is much more satisfactory to have 5 minutes for each speech than to try to cut it down. I ask unanimous consent that the debate on this amendment be limited to 2 speeches for and 2 speeches against, the last 5 minutes being reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WIGGLESWORTH. Mr. Chairman, I regret to find myself in disagreement with my good friend and very able colleague, the gentleman from Wisconsin [Mr. DAVIS].

I believe, however, it would be a great mistake to adopt this amendment.

This amendment also seeks to reduce the funds in the general field of military assistance, and to reduce those funds to the extent of \$212 million.

The original request for this fund was in the amount of \$800 million. That figure has already been reduced by the Senate Committee on Foreign Relations to \$712 million. This amendment would make a further reduction to the point of \$500 million.

Mr. Chairman, it was not so very long ago that a meeting was held at the Office of the Secretary of State. The leadership on both sides of the aisle were there. There were representatives from both sides of the aisle, from the Foreign Affairs Committee, from the Armed Services Committee, I think, and from the Appropriations Committee.

At that meeting there was explained the vital importance of having a large flexible fund available for utilization throughout southeast Asia and the western Pacific and the approval of those present was asked.

After discussion there was unanimous agreement by all present that this was the right thing to do, and that such a fund should be made available to the President for use in conducting the cold war.

The fund is, in effect, an emergency fund which is appropriated, if you will note the language in the bill, directly to the President of the United States, to be spent by him under such rules and regulations as he sees fit.

Mr. Chairman, it is humanly impossible to foresee what may happen tomorrow or next week or next month in this great area extending all the way from Burma to Japan.

The mere fact that fighting has ceased for the moment in Indochina does not necessarily mean that the overall situation is less dangerous.

It may mean just the reverse and that the picture as a whole is more dangerous rather than less dangerous.

This is an example in my judgment, of a situation where it is imperative that we give our leaders in this cold war the weapons they require and trust them to use those weapons wisely and economically.

I hope the pending amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, I rise in support of the Davis amendment. As he has pointed out, this is a little bit too much of a coincidence to swallow that the same amount of money almost to the dollar is needed now that the cease fire has been arranged in Indochina as was needed when the war was going on.

So let us look at the record for a moment, and I regret to say there is not too much of a record to look at in this instance. I refer to page 6 of the record of these hearings. I understand that a great deal of testimony has to be off the record in this sort of thing, but not too much in reference to this area where everybody knows what we are doing. There appears this colloquy on the part of Mr. Stassen and the committee:

Now, you will note that the next item is the \$800 million for southeast Asia and

western Pacific. That is the fund which has broadened out from the Indochina war and is presented in the authorized legislation with rather broad flexibility because of the obvious impossibility for the President or anyone else to see what we face during this next year in southeast Asia.

So, we are asking for \$800 million, which was approved in the authorization stage for that whole area of the world on a very broad program.

Mr. WIGGLESWORTH. Off the record.

(Discussion off the record.)

Mr. ANDERSEN. Off the record.

(Discussion off the record.)

Mr. FORB. Off the record.

(Discussion off the record.)

That is not very much of a record to permit the Committee of the Whole to judge what we are doing in connection with this particular program.

Let me call your attention also to the hearings beginning on page 76 where there was talk about the amount of money required for this program. The gentleman from Wisconsin [Mr. DAVIS] correctly said that they spent less than \$100 million last year.

Mr. WIGGLESWORTH. Our investigators report that when they examined the record in late April 1954 the FAO had only spent \$53 million in the first 4 months of 1954 and that the best estimate at that time was that FAO would spend only \$200 million by June 30. How did you obligate the other \$545 million between April and June?

Mr. MURPHY. Well, sir, the obligations were not incurred between April and June. Let me start out by saying what we know of the actual expenditure situation on June 30. The total reported to us by a cable from Paris was \$96 million that was spent of the \$745 million. The \$745 million was obligated because in September of 1953 the United States Government came to an agreement with the French Government to the effect that if the French Government would mount a total military effort in Indochina estimated to cost in the neighborhood of the equivalent of \$1.5 billion, the United States would support that effort to the tune of \$785 million.

I ask whether the French mounted a total military effort in Indochina?

Let me further call your attention to page 133 of the hearings where the following occurs:

The Indochina program includes a direct-forces support program of \$800 million.

Mr. CANNON. Off the record.

(Discussion off the record.)

Mr. FORB. Off the record.

(Discussion off the record.)

Mr. DRUMRIGHT. As I was saying, the Indochina program includes a direct-forces support program of \$800 million, which we are requesting not only for the purpose of permitting the continued prosecution of the war in Indochina, and supporting the Associated States forces engaged against the Communists, but it would also be used on a flexible basis—

And so forth. Now, that is just too much to swallow, that they need the same amount of money after a cease-fire in Indochina for the care of refugees or for six other purposes as they did when the war was hot.

I want to ask you about this whole program. After some 8 or 10 years of this, and some \$45 billion or \$50 billion spent on foreign aid, are we nearer to peace now than we were then?

Ask yourselves this, my friends, before you vote for more of the same.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. TABER. The administration of the FOA reported that there were no unobligated balances left in this particular quarter and therefore there could be no carryover.

Mr. JUDD. That is my understanding. And, of all the places, this is the least suitable to make the cut.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that I may yield the gentleman my time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. JAVITS. I would like to point out to the House something which is very important. The amount of money provided here is for military effort, military effort in the region of Indochina, and I ask the Members this: The gentleman from Minnesota [Mr. JUDD] will explain that in great detail. I ask the Members, did we ever need military effort in any area of the world more than we need it in the area of Indochina? I think the answer is self-evident.

Mr. GROSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Does this constitute part of the request of 2 speaking for the amendment and 2 in opposition to the amendment?

The CHAIRMAN. I did not gather that the gentleman who was speaking spoke for or against.

Mr. GROSS. As to the gentleman who just yielded his time, is that in opposition?

The CHAIRMAN. The gentleman did not have any time.

Mr. ROONEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROONEY. Well, just how does this come about? I am one of those who was designated to speak against the amendment, and we have already had the gentleman from Massachusetts [Mr. WIGGLESWORTH] speaking against the amendment.

The CHAIRMAN. The gentleman from New York [Mr. ROONEY] has 5 minutes to close debate. That is the division of time.

Mr. DAVIS of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DAVIS of Wisconsin. I would assume that under the unanimous-consent request that was just agreed to that the gentleman from Minnesota is going to

have to speak 5 minutes for the amendment and 5 minutes against it, if the request is going to be adhered to.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. My parliamentary inquiry, Mr. Chairman, is whether or not the unanimous-consent request submitted by the gentleman from New York [Mr. TABER] that two speak on each side would be exclusive of the 5 minutes that the gentleman from Massachusetts [Mr. WIGGLESWORTH] had; and if that is so, you are going along in order.

Mr. GROSS. No. No.

Mr. TABER. The gentleman is correct, except somebody is entitled to recognition after the gentleman from Minnesota is through to speak in favor of it ahead of the gentleman from New York [Mr. ROONEY].

Mr. DAVIS of Wisconsin. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DAVIS of Wisconsin. Certainly, under the previous unanimous-consent request of the gentleman from New York, the unanimous-consent request by the other gentleman from New York [Mr. JAVITS] that the gentleman from Minnesota have an additional 5 minutes would not be in order; is that correct?

Mr. TABER. That is correct.

Mr. JAVITS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JAVITS. As I see the difficulty, some Members were on their feet who were opposed to the amendment when the gentleman from New Jersey [Mr. HAND] was recognized. Therefore, I yield back my time.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Can the gentleman yield back his time? He yielded it to the gentleman from Minnesota.

Mr. JUDD. The gentleman did not have any time to yield.

The CHAIRMAN. The gentleman yielded back his time.

Mr. GROSS. Can he yield back his time without asking unanimous consent?

The CHAIRMAN. Without objection, he can yield it back; and the Chair can allocate it.

Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. I ask unanimous consent that this entire hassle here not be taken out of the gentleman's time.

The CHAIRMAN. It is not being taken out of the gentleman's time. It is just a vocal exercise.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Did the gentleman from New York [Mr. JAVITS] ask unanimous consent to yield back his time?

The CHAIRMAN. Without objection, he could yield back.

Mr. GROSS. Well, I object.

The CHAIRMAN. Objection is heard.

Mr. DORN of South Carolina. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DORN of South Carolina. Many Members in this part of the House would like to know what time the gentleman from New York [Mr. JAVITS] had to yield back and how he came by the time.

The CHAIRMAN. There was a misunderstanding. The gentleman from Massachusetts [Mr. McCORMACK] has correctly stated the situation.

The gentleman from Minnesota [Mr. JUDD] is recognized.

Mr. JUDD. Mr. Chairman, most wars, whether hot wars or cold wars, tend to go along for a considerable period without, apparently, much change. Then all of a sudden, it becomes obvious that little by little one side has been gaining and the other has been losing. Hitler looked mighty good up to just a few months before Nazi Germany collapsed. Japan in the spring of 1945 still looked as if she had a lot of strength. But really she had already been gravely weakened. The long process of attrition due to naval blockade and air attacks had been taking its toll.

Likewise, the war we are now in all around the world—a cold war in most places, and a shooting war in a few—has perhaps seemed just a seesaw affair, a sort of indecisive maneuvering without, seemingly, much change. But it must be clear to all today that the Soviet bloc in the world has in fact been gradually edging ahead and the free world has been falling behind. One side is gaining the ascendancy; the other is beginning to weaken and splinter. That is the moment of peril.

We must admit that the free world is now approaching that moment. Unless it resolutely pulls itself together and reverses that trend, then one day soon the whole thing will begin to fall apart.

It takes a long time to get the first hole through the dike; but once that hole is punched through, very quickly it becomes large enough for a whole torrent. That is precisely the situation the free world faces today. It cannot lose much more ground without beginning to disintegrate. The place where we have been and are losing alarmingly is in Asia.

For what purpose was money given to Indochina last year and the year before? Not because of special partiality or concern for the people or the territory of Indochina. It was to try to save the whole area, one of the most crucial in the world—all of southeast Asia and the Western Pacific. The fact that Indochina, a portion of it, has been lost, only increases the need for our assistance to the rest of the area, in order to prevent any further losses.

Are we to take the very moment when the area is shocked and weakened to reduce our aid and thereby announce to

all that the Communist victory is even greater than it is? If anything, this is the moment for more aid, rather than less. At the least, it is a time to hold steady and give confidence to the peoples still free.

Look at the situation that we face in that part of the world.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the distinguished gentleman from Indiana.

Mr. HALLECK. I should like to say that, in my opinion, the situation in southern Asia is one of the most critical in the whole world. While we have had some reverses there, I think the situation is such as to indicate that we should by all means do everything possible to maintain the right cause in that area. In other words, if all of southern Asia goes, whether we can hold the Philippines, Formosa, and Japan would be a serious question. As the President said, instead of the Pacific being a friendly lake, it might become a Communist lake.

I should like to say this one thing further. There is no question in my mind but that if this money cannot be properly used there in the best interests of this country, the President of the United States will see to it that it is not used. However, because it is a danger spot and because the situation there is so critical, I sincerely hope that this amendment will not be reduced to the end that our interests there may be protected.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York [Mr. ROONEY] to close the debate.

Mr. ROONEY. Mr. Chairman, this is the most dangerous and ill-advised amendment that will be offered to this bill all day today. So that there can be no question about the purpose of this requested appropriation, originally asked in the amount of \$800 million, I shall read to you this language of the Defense Department and FOA from the justifications:

The purpose of this program is a military purpose—the support of military forces.

Some few moments ago the distinguished gentleman from New Jersey [Mr. HAND] quoted from the hearings and referred to many indications in the record of off-the-record discussions.

Let me say that this procedure is necessary with regard to an important defense bill such as this. I should point out that the index of witnesses in these printed hearings does not disclose the names of the Secretary of State, Mr. Dulles, and General Gruenther. These gentlemen testified at substantial length before the committee. General Gruenther spent an entire, long afternoon off the record with regard to the urgency of this bill. The Secretary of State, Mr. Dulles, was before us on two occasions, both times off the record.

Following the truce agreement last week in Geneva, the very next day thereafter, and during the course of the time that this bill was being marked up by the subcommittee, the Secretary of State and Mr. Stassen were sent for. The

question was whether or not any of the money in this item as well as in other items could be saved as the result of that ceasefire. The answer decidedly was "No." This very proposed amendment was offered on Saturday last in the full committee, as was the amendment previously defeated also offered by the gentleman from Wisconsin [Mr. DAVIS]. I trust that today this proposed slash amendment will again be defeated, because of its danger in a situation where our very existence is threatened more than at any time since the march of communism following World War II.

We have in the Pacific a defense perimeter which extends from the Aleutians in Alaska down across Okinawa, the Philippines, and so on, down all the way to Australia and New Zealand. Included in that perimeter is the one place that the vicious rulers in the Kremlin might get through and destroy our defense support, through Indonesia, if they were ever to take over the territory which still remains in Vietnam, and Laos and Cambodia.

As the Secretary of State pointed out, it is of the utmost importance now that we have lost the upper part of Vietnam that a bastion must be built to preserve the rest of Vietnam, Laos, and Cambodia, so that there will be no further spread into Burma and other countries in Asia. In building this bastion it becomes necessary to transport at least 500,000 people who might be executed by the Communists, and I have heard the figure mentioned as almost 1 million. We have millions upon millions of dollars' worth of military equipment and supplies in the area being abandoned by the French which we must retrieve. Do we not have sufficient confidence in the President in the White House to entrust him with the amount of \$212 million at a time such as this? I am sure that we do, as we must. This appropriation is one directly made to and entrusted with the President of the United States.

This is not a partisan matter. I sometimes refer to partisan politics, as you know. But really and sincerely this today is not a partisan matter. It is far too dangerous to the defense of our country and our defense against communism to turn President Eisenhower down for the sake of \$212 million of a \$712 million appropriation recommended by the committee, already cut against my advice by \$88 million.

I trust the amendment offered by the gentleman from Wisconsin [Mr. DAVIS] will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. DAVIS].

The question was taken; and on a division (demanded by Mr. DAVIS of Wisconsin), there were—ayes 63, noes 98.

So the amendment was rejected.

The Clerk read as follows:

Defense support, Europe: For assistance authorized by section 131 (b) (1), \$70,000,000.

Mr. TABER. Mr. Chairman, I offer a committee amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TABER:

On page 3, line 2, strike out "\$70,000,000" and insert in lieu thereof "\$45,000,000"; and On page 3, after line 2, insert "special assistance in joint control areas in Europe, \$25,000,000."

Mr. TABER. Mr. Chairman, this divides the money up in the same way that it was divided in the House authorization bill—and that is the objective.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GROSS. There is no reduction then in the gentleman's amendment?

Mr. TABER. No.

The CHAIRMAN. The question then is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was agreed to.

Mr. DIES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I believed that the expenditure of this money would stop Communist aggression, or materially contribute to that end, I would gladly support it. But I would want some competent evidence, and some assurances that are real and concrete, because I know that this money will not be paid back by me or by my generation—I know that my grandchildren and my great grandchildren will have to work and save and deny themselves to pay this money back. I know that we are the custodians and the trustees for the future generations. I do not believe that the expenditure of this money will halt communism. On the whole, it may do more harm than good. Let us be perfectly frank and realistic about this. The Communists are making just as fast progress as they want to make. They are biting off as much as they can digest at a given moment. This bill is like shooting a pop-gun to stop a colossus. The truth is the only way that Communist Russia can be stopped is when the free world develops a will to stop communism. That involves tremendous sacrifices. When the time comes that France and England and the United States and all of the countries of the free world are prepared to pay the price and to run the risk of halting the determined effort of the Kremlin to conquer the world, then, and only then, will we stop the Kremlin. That would mean that France, England, and all of these countries would have to say, "We are not going to permit them to advance another step and we are going to do whatever is necessary to stop them." We have ample resources and manpower. We have the know-how. We have everything if it can be welded together into a unified force dedicated to the proposition that we will not permit Russia to swallow the world. Once we convince the Kremlin that we mean business we will have far greater prospects of averting war than is now the case. The Soviet dictatorship is willing to risk war because they believe the free world is unwilling to risk war or is unable to unite behind a firm and realistic program. Until a will to stop aggression develops in the free world, whatever amount of money you appropriate is a mere gesture. You propose

this measure because you cannot think of any other way to combat communism. The very countries that are the recipients of this money, our grandchildren's money, are engaged feverishly in trading with the Kremlin. The evidence is overwhelming today that the crack in the Soviet armament is their inability to produce food and fiber. No one disputes the fact that this is the Achilles Heel, that if you want to strike a telling blow at the Soviet dictatorship you must do so by refusing to trade. Why do we trade? Because we want our profits and we say that non-Communist countries cannot survive without trading with the Soviet Union. So that while we appropriate billions of dollars, the Soviet Union is engaged in building up a stockpile of necessary food and fiber acquired from the non-Communist countries, without which she cannot wage total war.

Let me say to you that for 25 years the Communists have not wavered in their determination for world conquest. World conquest is an integral part of their whole ideology. It is the heart and core of Communist faith. It is the driving force—the propeller. Without it communism would lack a mission—a zeal to inspire and motivate its disciples. It is more than a means to an end. It is the end itself of all Communist tactics and conspiracies. It was the failure of our leaders to grasp this simple fact which got us where we are today. It is the lack of full realization today which produces disunity and indecision.

You who think you can solve the problem by spending the money of future generations are simply indulging in a vain hope. How much faster could the Kremlin move? They have just absorbed 11 million people. Although you spent \$2½ billion, did that stop it? Did that defer it? Is there any man today who will say that the Kremlin will not take Asia when it wants to take it? Who is to stop them? Do you think England is going to stop them, or France, or the United States? Why do you indulge the vain hope that something will happen to prevent their aggression? Why do you want to appropriate another three billion of your grandchildren's money when you have an unexpended balance of ten billion?

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent (at the request of Mr. GAVIN), Mr. DIES was granted 2 additional minutes.)

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. GAVIN. I want to call to your attention while we are talking about building up military strength of Europe and the rest of the world we are cutting down on two infantry and armored divisions here at home, and if we were suddenly catapulted into an emergency we would not have the strength necessary to fight around a vast perimeter.

Mr. DIES. That is true.

Mr. GAVIN. It is about time we started to look after the interests and military strength of the United States. To cut down at this time our ground

forces and divisions of infantry and armored forces, in my opinion, would be a drastic mistake.

Mr. DIES. Well, we got on this dope of spending borrowed money years ago, and we cannot get off of it. The whole truth is that we were told when the Marshall plan began that it would last a limited time, and we just cannot resist the temptation to spend the money of future generations. We are wholly and completely lacking in the fundamental requirements of thrift, of fiscal responsibility, of concern for future generations, which characterized the men and women who built America.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. SMITH of Wisconsin. In support of your statement of a moment ago, the press reports are that already the Communists have struck south of the parallel into Indochina.

Mr. DIES. Of course, they are going to strike just as soon as they can. A boa constrictor can swallow but one hog at a time. He has to be given a little opportunity to digest it. As soon as they digest Vietnam they will move against Laos and Cambodia. After they take that, they will move into new fields. You sit here like a hypnotized rabbit in a boa-constrictor's cage, hoping and praying that the Communists do not mean what they say when they say, "We are going to conquer you."

I would not spend another dollar of the earnings and savings of future generations until I sought and obtained definite assurances from our allies that they are willing to adopt and carry out realistic and effective measures. I would require a commitment that each country is prepared to subordinate false profits and security to a program calculated to halt the tide of aggression that now threatens to engulf the world. It is later than we think. Very little time is left to us to repair the tragic blunders which brought us to our present predicament. Why deceive ourselves and our constituents any longer? Russia is winning the cold war. Our billions have not stopped the Kremlin. Only by matching the Kremlin's zeal to enslave mankind with freemen's will to free mankind can we turn defeat into victory and prevent a war of annihilation.

Our greatest danger today is vacillation, indecision, and disunity among the nations of the free world. It is this weakness which the Communists are exploiting. All the money in the world cannot take the place of the will to preserve the freedom of the world.

Mr. FEIGHAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FEIGHAN: On page 3, line 2, after "\$70,000,000", strike out the semicolon, insert a comma and the following: "Provided, That no part of these funds shall be used for or on behalf of Yugoslavia."

Mr. FEIGHAN. Mr. Chairman, the reasons, briefly, for my request to ex-

clude Yugoslavia from this appropriation are as follows:

First. Tito has never really broken with his Russian-Communist friends. As a matter of fact, keen students of the Yugoslav problem question whether the present dictator of Yugoslavia is really Josip Broz. It is quite possible that the present-day Tito is just another Russian boy trying to make good in a big way for his mentors in the Kremlin.

Second. Present day Yugoslavia under Tito will never fight on the side of the United States in the event of a conflict with the Russian Communists. In the event of war, the Yugoslav people, under Tito, will move in 1 of 2 directions. The most likely is that they will take advantage of war to liquidate Tito and all his followers, thus causing widespread internal revolution. The second possibility is that the people of Yugoslavia, the Croats, the Serbs, the Slovenes, and the Montenegrins, will be forced to fight against the West with Russian machine guns at their back.

Third. The present day Tito under the cover of "national communism" has been able to penetrate important segments of the organized defense community of the free world which has been created to prevent further Communist aggression. The North Atlantic Treaty Organization has been publicized as the symbol of western unity against atheistic communism. Tito's Yugoslavia would not be eligible for admission into NATO because admitting Tito to NATO would immediately destroy the symbolism which has been built up. So to prevent this question from being raised, the Department of State took the initiative in creating a small entente with our gallant and proven allies, Turkey and Greece, being put in the same bed with Tito which opens a special back door for Tito into the NATO community. The false cover of national communism also permits Tito to place his agents in many strategic positions and in general permits him the opportunity to carry out an intense campaign of "neutralizing" the free world so that it will be paralyzed in the event the Russian Communists make a sneak attack on the United States.

Fourth. Tito has never proven that he is a steadfast friend of the West. Unfortunately, we have never put him to any real test to determine where he stands on the critical issue of the United States against Russian communism. In the hysteria created by some of our striped-pants negotiators, we have deserted some of our best friends and strangely have now accepted as our supposed friends, proven advocates of world socialism. I suppose it is impolite to remind the Members of Congress that Marshal Tito has just reestablished diplomatic relations with Moscow and that it is common gossip along the highways and byways of Europe that the relationship between the Russian Communists and Tito Communists has always been on a most friendly and cordial basis.

Fifth. In any case, the people of Yugoslavia under the Tito brand of communism, will never be united behind anything Tito stands for. As a good ex-

ample of my point, let us look at what Tito's brand of communism has done to the traditional food-producing capacity of the people of Yugoslavia. Before World War II Yugoslavia was a surplus food area of Europe, always in a position to export millions of dollars worth of food each year. Today, under Tito, the enslaved people of Yugoslavia, the Croats, the Serbs, the Slovenes, the Montenegrins, are hungry. The United States has been required on at least two occasions to bail Tito out and to keep him in power by sending some of our surplus agricultural commodities to Yugoslavia in order to prevent open rebellion against Tito's regime.

Sixth. There is the practical possibility that the arms and other strategic matériel which we make available to Tito later find their way behind the Iron Curtain, where the Communist stooges of the Kremlin who are responsible for the enslavement of those once free nations, will store these arms and other important strategic matériel for future aggressions against the free world. I am certain that a real investigation of this matter would reveal some startling evidence.

Mr. Chairman, from my investigation I feel it would be well if a committee of this Congress were established to investigate the situation obtaining with reference to Yugoslavia. I am firmly convinced that such investigation would substantiate in full the observations I have presented to you very briefly.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Iowa.

Mr. GROSS. I agree wholeheartedly with the gentleman's amendment. The gentleman states that he favors this amendment in part because Tito has never broken with the Communists. Did the British ever break with the Chinese Communist government during the war in Korea?

Mr. FEIGHAN. Not to my knowledge. All the information available on the relationship between the British and Chinese Communists indicate that the British have never been willing to recognize the Chinese Communists as being aggressors in the Korean war. It is strange to me that the leaders of a once proud and gallant Britain now allow themselves to be put into the humiliating position of sending an envoy extraordinary to Peiping, of whom the Chinese Communists took no recognition whatsoever for well over a period of a year and a half, and on whom all the tricks of kow-tow were performed. It is both sad and shocking that the once proud British people would permit the Chinese aggressors to so desecrate the glorious history of the British people.

Mr. TABER. Mr. Chairman, I move that all debate on the pending paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I want to answer the very unfair and unjust criticism, and it has grieved me deeply, that we never want to economize; never want to save money. That charge is not true.

For 10 or more years there has been a resolution pending before the Committee on House Administration to construct over on the west side of the main part of the Capitol Building a restaurant and cafeteria for the use of our constituents, the legislative employees, and Members of Congress. If you will look out there you will see what a fine, beautiful, and convenient place it is from the ground clear on up to the roof. We should build a cafeteria and dining room there so that we will have a place to eat to take the home folks when they come to check up on us. On an average there are about 300 Members here every day who go down to the cafeteria, and sometimes we have a guest or a group. We have an average of around five or six hundred a day. They have various ways of trying to get you out. In effect it amounts to "Hurry up, do not sit here and smoke a cigarette, do not fool around with your cup of coffee." They are forced into that because there is usually a crowd in the hall waiting to be served.

And the thing is running behind, too. So why not build that dining room and cafeteria and get that kitchen out of that hole where they have it down there now? It is unsanitary; it is smelly. Why not have a place where it would serve the right kind of food, in the right way—where our folks from home can be treated as guests, not as trespassers? They do the best they can, but really it is slop. And they herd you in there like a drove of hogs. Why do we not do that and not only save a little money but make a little money? Now, if you want to do something, save money, and have a decent place, I say to my aristocratic friend from Massachusetts [Mr. McCORMACK], let us dine in style the way the folks in Boston do and can, and make a profit at it.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this amendment will not save any money and it will, if it is adopted, offend the Yugoslavs. They are very important to the United States and to the defense of Europe against Communist aggression. They have 30 divisions.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not true that the Yugoslavs, Greeks, and Turks have recently entered into a military alliance which obviously is to defend that area of the world against the Communist threat and that this amendment would, in effect, break up that alliance?

Mr. TABER. That is right.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. FORD. Is it not also true that we are at a vital point in trying to work out a solution to the Trieste problem and that the approval of this amendment might very seriously impair those negotiations and upset what we have been trying to accomplish for many months in that area of the world?

Mr. TABER. That is correct.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Virginia.

Mr. GARY. Mr. Chairman, I want to say that I have no desire whatever to help Yugoslavia. I do, however, have a desire and a strong desire to perfect a proper defense for the world and the free nations of the world. I think that Yugoslavia is a strong and needed cog in that defense, and to take any money away or to say in this bill that no money should be used for that purpose would be a usurpation of the executive powers of the Government by the Congress of the United States. We must stick by the executive branch in this defense plan. General Gruenther appearing before our committee pointed out the importance of Yugoslavia in the European defense program, and it would be, in my judgment, a great disaster if this amendment were adopted.

Mr. TABER. We cannot be the State Department.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. JAVITS. Is it not true that Yugoslavia is the greatest defection the Kremlin has suffered? It is the biggest thing they lost, and if we adopt this amendment, we will give them right back to the Kremlin.

Mr. TABER. We want to keep them in our corner.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. FEIGHAN. I would like to make this observation to the gentleman from Ohio [Mr. VORYS], that he cannot point out one instance in which a Communist government made an agreement that it kept. Secondly, here we are with our face and head in the sand acting like a real ostrich, which is in every sense un-American, talking about Yugoslavia as an ally when any investigation would show very definitely that they are strictly agents of the Kremlin. I regret that the gentlemen opposing my amendment have failed to answer the questions I have raised concerning aid to Tito's Yugoslavia.

Mr. TABER. Well, I do not think that that is correct. Frankly, I believe that the Yugoslavs, since they came away from the Communists, have gone along and kept their bargain with us and with the rest of the free world, and I hope that we will not do anything that will make them feel that the Congress of the United States is going back on the idea of keeping them from coming in our direction.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. FEIGHAN].

The amendment was rejected.

The Clerk read as follows:

Development assistance, south Asia: For assistance authorized by section 201 (a) (2), \$60,500,000;

Mr. H. CARL ANDERSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. H. CARL ANDERSEN: On page 3, line 19, strike out "\$60,500,000" and insert "\$40,000,000."

Mr. H. CARL ANDERSEN. Mr. Chairman, the weak part in this bill, of course, is that having to do with the so-called defense support and development assistance items, aside from Korea, amounting to a total of \$431,500,000. These items have little to do directly either with our own defense or direct forces support. The weakest part of all these items amounting to \$431,500,000 is that for economic assistance to India. India is the only nation included in that item in this particular paragraph for south Asia.

We have given to India during the last 3 years a total of \$185 million in economic assistance of various kinds besides a considerable amount for technical cooperation. Please keep this in mind that in the following paragraph under the item technical cooperation, general authorization, India will receive in all probability a further allocation of \$15 million. I think we ought to be reasonable. I have no objection to helping them with our know-how through technical cooperation but we have embarked in an extensive program of construction and development, far beyond the original concepts of point 4 program. Certainly, no military value to us is apparent from this overgenerous allotment to India.

I wonder if it is good business to continue, not in sharing our know-how, but in this program of putting down 3,000 deep wells, each of them capable of irrigating 500 acres of land, making more difficult our problem in this country of getting rid of our surplus cotton and such. I do not object to our giving outright to them of our food surplus if they need food. But just how far can we go in working up competition to our own people?

I asked earlier today, in a question addressed to the gentleman from California [Mr. HUNTER], just how far should we go, and what responsibility do we as Members of Congress have in voting our taxpayers' money for such purposes, and what right do we have as Members of Congress to make more difficult the problem facing our own producers by being too lavish with our taxpayers' money? Here is the outstanding example of it in this particular bill. Irrigation, dams, transmission lines, railroad locomotives, and cars, to the tune of tens of millions of dollars, are being given to a nation whose friendliness is certainly open to question. Our planes carrying reinforcements to Indochina were refused passage across India. How often lately has India supported our

point of view in the United Nations? Shall we lavish more millions of dollars upon a strictly neutral nation instead of helping to a greater degree those countries who are definitely on our side of the fence? Why should we give India far more consideration than we give to Pakistan and the Near East Mohammedan countries, and Israel, far better friends, all of them, than India has proved itself to be? Can we afford this liberality at a time when our Nation, just last June 30th, added another \$3 billion to our already staggering debt?

I ask you to think that over. Will we not be sufficiently generous if we give them \$55 million of our funds this coming year? Do you not think it would be a good idea to shave off this \$20,500,000, an amount which will pay for this 1 year the salaries of all the Members of Congress and all of our employees? I leave it to your good judgment. Although I am in full agreement with the strictly military assistance and direct forces support items in this huge bill, it is hard for me to vote for the strictly economic assistance total of \$431 million, above and beyond the \$200 million for Korea. I was glad to help to save in committee the \$812 million we cut out of the administration's request. If it were not for the extremely touchy position today in the Far East, I could not possibly justify to my people a vote for this foreign-aid bill. I do hope that a small portion of the economic aid will be stricken by the acceptance of my amendment. Helping our friends with military assistance is good business. Let us help our own people by not voting for extravagant and unwise outright economic aid to others.

Mr. BENTLEY. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Minnesota.

The Clerk read as follows:

Substitute amendment offered by Mr. BENTLEY to the amendment offered by Mr. H. CARL ANDERSEN: On page 3, line 19, strike out "\$60,500,000" and insert "\$20 million."

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

Mr. JAVITS. Reserving the right to object, Mr. Chairman, I have an amendment to both amendments. I just want the gentleman to know that.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 20 minutes, the last speech to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BENTLEY. Mr. Chairman, as the gentleman from Minnesota has already indicated, this is the India amendment. I beg the committee not to be deceived by the words "south Asia" because every penny in this paragraph is destined for the use of India. It is not technical assistance. There is already an authorization of \$19,500,000 for technical assistance to India. This is strictly what we

called last year special economic assistance, which has now been given the name of development assistance, and includes items such as industry, railroad rehabilitation, electric power, steel, and finally a fertilizer plant for India.

Mr. Chairman, the reason I have offered this figure of \$20 million as a substitute for the development assistance to India is a very logical one. This gives exactly that amount of money that is being requested and has been authorized for the same type of economic assistance to Pakistan. It is not in this paragraph or in the category of development assistance. It was moved over to the category of so-called defense support, but \$20 million is the amount of money that has been authorized for economic assistance to Pakistan.

There is a great deal of feeling out in that part of the world, and anybody who has been out there surely knows the rivalry, the jealousy, existing between India and Pakistan. Pakistan, as you all know, has developed into a very considerable military asset and a very splendid ally of ours. They are already, I believe, engaged in a military mutual-defense treaty with Turkey, and possibly they can draw other countries into that treaty. On the other hand, India to be extremely charitable can hardly be called anything more than a neutral, and I speak of the Korean war and everything that has taken place since then. Take an area of the world that is as ticklish as the situation is out there. Take on the one hand the ally Pakistan getting \$20 million—and I may say that program has been cut by a third over the past 2 years, and then on the other hand take India, at best a neutral, getting three times as much—and that program has been increased 2½ times over the past 2 years. I ask the committee, is that any way to reward friends and gain new friends? No, I think not. If a course of neutralism is paying off so splendidly for India, why should not all the other countries in all parts of the world continue to be neutral and continue to receive benefits more than a country like Pakistan, a valuable military ally of ours, who gets exactly one-third of the help that we plan to give to India? That is why I say equalize it and for goodness' sake do not play any favorites in as ticklish a part of the world as the Near East.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. HAND. Can the gentleman recall a single instance in which India has supported the foreign policy, or any other policy of the United States since we have been extending this aid to her?

Mr. BENTLEY. I think the only time that Indian troops ever fired a shot in Korea was when she was shooting down some Chinese Communist POW's who were trying to escape from a prison camp.

Mr. HAND. The gentleman will recall that India refused permission for our airplanes to fly over her territory.

Mr. BENTLEY. I remember too well.

Mr. SMITH of Wisconsin. As a matter of fact, the aid for India is economic aid and not military aid, is that correct?

Mr. BENTLEY. It is all economic aid. The \$20 million is also economic aid for Pakistan.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct when he makes a statement that our very best possible ally in the future in that region will be Pakistan—along with Turkey, of course, further to the west.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. O'Konski].

Mr. O'KONSKI. Mr. Chairman, for 12 years I have been listening to the arguments of the proponents of foreign aid. The arguments have always been the same. The characters have shifted. I came here in 1943 when they were telling us that we had to give more lend lease to Russia. We lend-leased them to the tune of \$13 billion. Today, we are here going bankrupt trying to stop them because of the aid that we gave them. I remember in 1944 these same proponents of foreign aid said, "Now, we have to help Red China. The Red Chinese are not really Communists. They are nothing but agrarian reformers. They are really our friends." I remember when the UNRRA bill was passed. There was a provision in the UNRRA bill that we had to give half of it to the Reds in China and the other half to the Nationalists. If it were not for the aid that we gave to Red Chinese, who were supposed to be only agrarian reformers, today we would not have the Red Chinese on our hands and we would not be bankrupting our country trying to stop them.

In 1944, they said, "Now we have to help our friend, Ho Chi Minh, who is really our friend. He is a Communist but he has no connection with the Kremlin." So we gave him a half billion dollars worth of material with which to start a war in Indochina, where we just got our feet set back, and where we are taking a terrific shellacking. Now these same proponents of foreign aid say that we have to help Tito because Tito is not really a Communist—he has divorced himself from the Communists. It is the same kind of argument. They said that about Mao in China. They said he was not a Communist, but that he was our friend. They said that about Ho Chi Minh and now they are saying it about Tito. The very people who say that Tito is our friend, forget that just a few months ago those 30 so-called divisions that we are financing were at the border of Trieste ready to shoot. That was less than a few months ago, when we were trying to settle the Trieste question.

What I want to know is this. You people who are voting for this sort of thing and who are giving these arguments for helping Tito—what are you going to say and what are you going to do when very shortly those 30 divisions and those guns that we are giving him are going to be turned on us and not on the Communists. Tito is nothing but a plant from the Kremlin whose heart is in the Kremlin and whose hand is in

the pocket of the Treasury of the United States of America. He is nothing but a plant by the Communists and by the Kremlin to get all that he can out of the United States of America. Mark my word, I would like to have any member of the Committee on Foreign Affairs or any member of the Committee on Appropriations tell me an answer to this question—in view of the large number of planes that we have given to Tito, do they know that Tito dare not send a single one of those planes on maneuvers over any allied country of a Western Power? The only place that he can send his planes for maneuvers is over Kremlin controlled territory.

The reason why he cannot send them over western territory is because if a Yugoslav in a plane ever came over western territory he would come down and land and ask for asylum because he cannot stomach the Communist Government in Yugoslavia. Yet proponents of foreign aid say we have to help Tito because he is our friend. That is what they said about Mao in China. That is what they said about Ho Chi Minh in Indochina. That is what they said about Stalin when we were giving him lend-lease. Yes the worn-out record is the same. Only the main characters change. Those of you who are appropriating money for Tito will soon be appropriating money to stop him, just as you are now appropriating money to stop the Kremlin and stop Ho Chi Minh and stop Mao of Red China. The worn-out record keeps repeating and repeating and repeating—it makes no sense.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JAVITS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS to the amendment offered by Mr. H. CARL ANDERSEN: Page 3, line 19, strike out "\$40,000,000" and insert "\$85,000,000."

Mr. JAVITS. Mr. Chairman, I have offered an amendment which is the President's policy and the President's request of the Congress, and also the figure which this House set after a hotly contested debate upon this very issue when MSA was here a few short weeks ago.

We heard exactly the same arguments, and the House, by an overwhelming vote, sustained the Committee on Foreign Affairs in establishing this figure of \$85 million for special economic development in south Asia. I think the figure must be put before us.

One can admit anything that India is neutralist and still in no way negate the reason for our being there with this special economic-development program.

India is now the greatest prize in Asia. So long as India remains—not on our side—but so long as India remains in the role of the free world, just so long will the Communists not possess Asia and the great balance of population remains as it does now strongly on the side of the free world.

The fundamental point about this economic aid which we are making is this: \$85 million is not a great amount of

money when you compare it to the fact that India itself is spending roughly \$4 billion on its 5-year economic program, the very program in which we are helping modestly. We have technicians in India who are building free world strength there all the time. We thus keep close relations with the people of India despite neutralism. Before we go overboard about Nehru seeing Chou remember that he also clapped the Communists into jail in India. I say to you it is well worth the modest sum which we contemplate spending on special economic aid. There are 363 million people there, and we are asking to keep our close ties with them.

We cannot insult the program by putting Pakistan with India on the same monetary level. It is a question of need and program.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. ROONEY. I was just now out of the Chamber for a few moments and I am not familiar with everything the gentleman has said. The gentleman from New York should accentuate the fact that the budget request submitted by the President was in the amount of \$85 million, and the pending amendment would reduce that down to \$20 million.

Mr. JAVITS. One other point. The bill which was brought in here by the Committee on Foreign Affairs provides that half this money is to be on loan. No speaker has said that. Half of it is to be on loan; according to the House bill the balance is to be a grant. So when you talk about \$85 million you are talking about \$42½ million which is likely to be on loan and \$42½ million which is likely to be a grant.

We cannot be shortsighted. The prize is absolutely enormous. It represents freedom in Asia. We should not care whether India likes us or not in the ordinary sense. We certainly care about winning the allegiance of the people of India to freedom and in order to do that we have to give them a demonstration of what freedom can do. The only demonstration we can give them is to show that freedom can give better and higher standards of living, which is what this money is for.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Minnesota.

Mr. Chairman, earlier I spoke in favor of the technical-assistance program. Personally, I think that economic aid, generally, should be limited to the provision of demonstration materials in connection with that program. The amendment offered would still leave \$40 million for economic aid to India.

To appraise the economic aid and technical-assistance program is to ask why it is carried on and thence to determine whether the answer to that question coincides with what has occurred. We are embarked on this program because we believe it to be our humani-

tarian and Christian duty to help our less fortunate fellow human beings to a better way of life. As a consequence of building up the economies of their countries and raising their standard of living, we hope that they will become our customers and friends. We further hope that they will repudiate communism and support democracy. Without question, the program has helped many people; it has helped to increase their standard of living by increasing their productivity, which, in turn, has provided them with the means of buying from us.

Has the program, however, won us the friends we expected, and has it been successful in combating communism? The record in this regard is not good. Ironically, the years since point 4 was inaugurated have been years of unprecedented tension among those nations who contributed most and those that have benefited most.

In the 3-year period which ended June 30th of this year, the United States spent or obligated close to \$200 million for economic aid and technical assistance to India. Notwithstanding this demonstration of generosity and friendship on our part, India has remained neutral in the conflict between the Communist countries and the free world. At best, India can be classified as no more than non-Communist. And, despite the friendly attitude of many officials at the lower level of government who are working with American technicians to increase India's agricultural production, our political relations with India at the top level of government have worsened in the last 3 years. That is the opinion of Foreign Service officers stationed in India, with whom I discussed this situation.

The lesson to be learned from our experience in India is that economic aid and technical assistance do not necessarily influence or make friends of politicians and that politicians, for better or for worse, determine the course of a country's affairs.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Is it not a fact if my amendment is agreed to India will receive from the taxpayers of the United States help to the extent of \$55 million, taking into consideration the \$15 million allocated in the next paragraph under technical cooperation?

Mr. HUNTER. That is correct.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, the sensible course is to oppose all three of these amendments. I think the cut of some \$23 million which the committee has made in aid to India can be justified, not as against that particular country, but because it is a part of the general cuts that the bill makes all along the line. For instance, the bill also carries a cut of \$30 million in aid to Korea. I am sure nobody can take offense at or misunderstand a cut in our aid to India when a country like Korea to which we are known to be so loyal and devoted and

which we intend to back to the limit, has also sustained a reduction of \$30 million below the authorization.

But let us look for a moment at India. Why should we be giving any aid for India, it is asked, when India is neutral and does not come out wholeheartedly on our side? First, I might suggest that our own country, when it first came into being, also insisted on being neutral. Great powers were contesting elsewhere, but we kept neutral. We needed time to get on our feet and our internal problems solved before getting involved in outside conflicts. India is trying to do the same thing. I do not think she will be able to succeed in her neutralism, because the outside struggle today is a world struggle, but it takes time to learn that.

Here is the overall situation: One-third of the people in the world are controlled by the Kremlin. One-third are in the free world. The two are locked in mortal struggle. Who controls the balance of power? The other third of the people in the world. Where do they live? They live in 14 countries which lie around China like a giant crescent of peninsulas and islands. To change the figure, China is the palm of a hand, and projecting out from it are these 14 fingers; Korea, Japan, Formosa, the Philippines, the key positions in the entire western Pacific. Then there are six in southeast Asia: Vietnam, Cambodia, Laos, Thailand, the Malay Federation, and Indonesia. Then four more to their west: Burma, India, Pakistan, and Afghanistan. All these border on or project out from China. That is why, as the Communists said right after V-J Day, "The war in China is the key to all problems on the international front." If the Communists are able to consolidate their position in China, the hand, then they can move out into this finger, Korea. If they fail to get it, they can pull back their main strength, while keeping us tied down there, and shift pressure to another finger, Indochina. If that fails, they can move to another—can run us ragged if we try to backstop each one. So it is urgent that we try to build up as many of them as possible to the point where they can defend themselves.

The largest of the fingers is India. It has a strategic location and great resources. For the moment it is protected from China by the Himalaya Mountains on the north. Nature is responsible for that. But suppose southeast Asia succumbs to Communist subversion or invasion and India is penetrated from the Burmese flank. Suppose India is not strong enough to prevent being taken over by the Kremlin. Then the latter would have submarine bases on the Indian Ocean. Australia and New Zealand would be cut off from Europe, and Africa would be wide open. There is not a single defense on its whole east coast.

Surely it is obvious why India is so important—if we consider only her size, her population, her location. Surely it is important that she have the capacity to defend herself. Even to stay neutral is of direct benefit to the free world.

I do not blame her leaders for trying to be neutral even though I doubt it will prove a wise policy. But surely it is not wise on our part either to take action which would tell her she might as well go over to the other side.

The other day I said that Mr. Nehru is like anyone else who has fought for 40 years against an enemy—in his case, western control. Naturally that is his first obsession. First of all he is against European imperialism because he has been under that.

Second, he hopes desperately that communism, which he has not been under, will turn out to be better. Well, we thought that too for years. If it took us 30 years or so to wake up, we have got to give him a few more weeks or months. We cannot demand that he discover the truth at the exact moment we do. My guess is that Communist advances in Indochina and renewed subversive activity in Burma are already proving a little disturbing.

After all, the first major figure in the world to wake up to the true nature of world communism was Generalissimo Chiang Kai-shek. He broke with it in 1927 and has fought it ever since, much of the time singlehandedly, while we were playing footsy with it. He spent more than 20 years telling us but we would not listen to him any more than Nehru listens to us. That is no reason to blow our tops and act shortsightedly here today.

Besides, the Indians see the Communists winning. How can we expect them to stand up against Red encroachments or blandishments unless we, too, are strong and firm and help them become stronger?

Finally, our own conduct in the post-war years vis-a-vis the Communists in China was hardly the sort to inspire confidence. As one Indian leader said, "It is too dangerous to be an ally of the United States. Look at China."

So, Mr. Chairman, this aid is not an attempt to buy friendship or gratitude. It is an attempt to give India the capacity to keep out of the control of the Kremlin. That is enough to more than justify the full appropriation. I hope the amendments will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. As I understand it, if all three amendments are voted down, the committee recommendation would mean a reduction in the original request from \$85 million to \$60.5 million.

Mr. TABER. That is correct, and that is what the committee thought was the right thing to do after we had been over it very carefully.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. FORD. It should also be pointed out that the amount recommended by

the committee of \$60.5 million is precisely the amount that the program for this particular area included in the bill for last year.

Mr. TABER. That is correct.

Mr. FORD. The committee felt that this was a fair compromise between the widely divergent points of view in reference to this particular program.

Mr. TABER. That is correct. That is why we felt that this was the right thing to do this year. We did not feel that we should increase last year's sum. We did not feel that we should cut it more than the current year's operations; that is, what the operations ran to in the fiscal year 1954.

India represents quite an important situation. Mr. Nehru talks loud, and a good many times he offends a great many people. On the other hand, in his own country he has shown that he is against the Commies and he does not hesitate to lock them up. He handles them better than we do.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GARY. I should like to say to the gentleman that I am in complete accord with the views of the chairman and the committee on this amendment.

Mr. TABER. I thank the gentleman. There is another point that I believe should be called to the attention of the committee. The Indians have very close racial ties with all of that part of the world in southeast Asia; Burma, Thailand, Cambodia, and Laos. In the days to come it is going to be very desirable for us to have them on our side, as far as we can get them. We have the opportunity now because of the situation that obtains in Burma, Thailand, Cambodia, and that group of other states in that part of the world.

I hope the amendments will all be rejected and that the committee amount which I believe is fair, everything considered, will be sustained, and I hope the House will sustain the committee's action all the way through.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS] to the amendment offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 14, noes 86.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the substitute amendment offered by the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I ask unanimous consent that my amendment be read by the Clerk.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Substitute amendment offered by Mr. BENTLEY for the amendment offered by Mr. H. CARL ANDERSEN: On page 3, line 19, after "section 201 (a) (2)" strike out "\$60,500,000" and insert "\$20 million."

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Michigan [Mr. BENTLEY] to the amendment offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

The question was taken; and on a division (demanded by Mr. BENTLEY) there were—ayes 62, noes 94.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 71, noes 100.

So the amendment was rejected.

The Clerk read as follows:

Control Act expenses: For carrying out the purposes of the Mutual Defense Assistance Control Act of 1951, as authorized by section 410, \$1,075,000.

Mrs. SULLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Chairman, the House and Senate recently passed a resolution expressing our congratulations to former President Herbert Hoover on the occasion next month of his 80th birthday. I was more than glad to join in that tribute, for I feel he has always tried to serve his country to the best of his ability.

I am sorry we did not pass a similar resolution last May on the occasion of former President Harry Truman's 70th birthday. Such a gesture would have provided, I believe, a more bipartisan flavor to the idea of tributes to former Presidents on the occasion of important milestones in life.

While I am sure Mr. Truman would have deeply appreciated a resolution of that nature, I sincerely believe, Mr. Chairman, that he would derive even greater satisfaction if the House were to restore the technical cooperation program in this mutual security appropriation bill to the kind of vigorous program he had in mind when he first broached the idea of point 4 at the time of his inauguration 6 years ago.

The cut of \$12 million in the amount recommended in the bill for point 4 represents, in effect, the cost of building about 12 miles of highway. New highways are great things and we are all for them. President Eisenhower suggests a \$50 billion highway program over the next 10 years.

I am sure we will find the money to do that, too. I am not in any sense arguing against highways. But I do think we can afford at this time the cost of 12 miles of highway in order to restore the full budget amount for point 4 and show the hungry and despairing people of backward areas that we are sincerely interested in helping to improve their living standards.

POINT 4 IN LATIN AMERICA

The program for point 4 in Latin America has not been reduced in this

bill, and for that I want to congratulate the Appropriations Committee. The program operates as part of the work of the Organization of the American States, and apparently works exceedingly well.

The Members know, Mr. Chairman, that I have been extremely critical about the price of coffee to the American consumer. Some of the things I have said in this respect—particularly my protests over Brazil's action in setting a minimum export price at the highest level green coffee ever reached in a time of anticipated shortage—have been interpreted in some quarters as being anti-Latin America. I want to correct any such mistaken impression.

I believe the American consumer has been mercilessly gouged on coffee prices. But I know that the money is not going to the Brazilian plantation worker. I understand the coffee farmer not only has no control over the price he receives—as our farmers here have no control over food prices—but that his return is not large for a lot of hard work. Exactly who did profit most from the spectacular increase in coffee beans from 58 cents to 87 cents a pound in a few months' time is something of a mystery apparently.

We want to see lower and more realistic prices to the American consumer for the coffee she buys at the grocery store, and we also want to see a fair return to the coffeegrower and his workers. Those two objectives do not by any means have to be antagonistic.

Some months ago, Claud L. Horn, of the United States Department of Agriculture's Foreign Agricultural Service, was quoted in the New York Times as declaring that coffee production is still in the horse-and-buggy era.

If the United States farmer—

He declared—

were to produce corn and wheat by methods as old as those in use by the world's coffee farmer, he would have to go back before the days of hybrid corn, back even before the days of Cyrus McCormick and the reaper.

For the amazing fact is this, that in a day that prides itself on improved production of food, fiber, and other agricultural goods, coffee production is still going on in the same old way without any significant increase in productivity per man-hour or per acre—the two measures of progress with any crop.

He said that the efforts toward scientific improvement of production which have been undertaken are "entirely unrealistic in the relation to the development job that is required," adding that the effort devoted to coffee improvement in the Americas is, as he put it, "almost negligible."

What scientific work has been done, he added, has not found its way to the growers.

To me, Mr. Chairman, that seems to indicate a tremendously worthwhile avenue for point 4 work—not just as a means of stabilizing coffee prices at a much more reasonable and realistic level for the American consumer but for assuring some prosperity for the people who produce this important product.

ENTIRE POINT 4 PROGRAM SHOULD BE EXPANDED

And what we might accomplish in Latin America, especially with the lessons of Guatemala before us, we should attempt elsewhere in the world too, Mr. Chairman, to remove the conditions in many nations which breed communism. Give people a chance. Help them to learn how to earn a decent living and live like human beings. Show them the hand of friendship, and not just the promise of some guns to defend themselves against external enemies. So often, the danger comes not from outside but from within—from elements of the native population rather than from aliens—from people who have nothing and thus feel they have nothing to lose from any change in political direction.

I meant it sincerely, Mr. Chairman, when I urged that we adopt an expanded point 4 program partly as a means of correcting our neglect in failing to adopt the kind of resolution for Mr. Truman's 70th birthday last May that we have just adopted recently for Mr. Hoover's forthcoming 80th birthday. Harry Truman has much in his record as President to look upon with deep pride, but I believe nothing pleases him so much as the success of the Marshall plan and point 4.

I had the pleasure in October 1953, to attend the dinner in Kansas City at which he was presented with an award by the Sidney Hillman Foundation for meritorious public service. In his acceptance talk, he had this to say:

In international affairs, we must not talk about providing just enough economic and military cooperation to prevent other free peoples from backing away from us entirely. We must develop the kinds and amounts of international cooperation which will cement the free peoples of the world in an unbreakable union of growing economic and military strength.

Mr. Chairman, an appropriation bill which sharply reduces the funds available for point 4, and which eliminates completely any funds for American participation in the companion United Nations program for technical assistance which also had its origin in the Truman inaugural speech, is, I believe, a repudiation of one of the most humane, intelligent, and enlightened ideas any American President has ever proposed as a means to establishing a peaceful world in which a free America can survive. I would hate to see us take such a backward step.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: On page 3, line 24, after "\$100,000,000", insert "of which not less than \$4,100,000 shall be made available to the Food and Agricultural Organization of the United Nations for carrying out multilateral technical cooperation programs authorized by section 306."

Mr. VORYS. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation on an appropriation bill and is not authorized by law.

The CHAIRMAN. Does the gentleman from California [Mr. PHILLIPS] desire to be heard on the point of order?

Mr. PHILLIPS. Yes, I do, Mr. Chairman. Very obviously, under the act which created the Food and Agricultural Organization, it was authorized to receive money from the United States and has received money from the United States each year in the same amount I am offering here or more. Consequently, the authorization under which it has received money in the past is the same authorization under which it may receive money today. I am earmarking money for the purpose for which it has been spent in the past.

The CHAIRMAN. Does the gentleman from New York [Mr. TABER] desire to be heard on the point of order?

Mr. TABER. Yes, Mr. Chairman. The language is not authorized by law. There is no authorization for any of these items here except the rule under which the bill was brought in.

Mr. PHILLIPS. Mr. Chairman, on that point I will have to concede the point of order. In other words, everything in the bill would be subject to a point of order, except for the fact that the Committee on Rules waived points of order against the printed bill.

The CHAIRMAN. The Chair is constrained to sustain the point of order.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Vorys: On page 3, after line 24, insert "contributions to the United Nations expanded program of technical assistance: for contributions authorized by section 305 (a) \$17,958,000."

Mr. PHILLIPS. Mr. Chairman, I make a point of order against the amendment.

Mr. TABER. Mr. Chairman, I make a point of order against the amendment on the ground that it is not authorized by law.

Mr. VORYS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman may proceed.

Mr. VORYS. Mr. Chairman, if the Chair will look at page 2 of the bill, he will find these words, showing what was made in order by the Committee on Rules:

For expenses necessary to enable the President to carry out the provisions of the Mutual Security Act of 1954, public law approved 1954, H. R. 9678 as follows.

The amendment that I propose is to section 305 of the Mutual Security Act for expenses necessary to enable the President to carry out the Mutual Security Act 305. It seems to me that this bill now before us, and the rule which waives all points of order against the bill, which begins as I have read, waives points of order for expenses necessary to enable the President to carry out the provisions of this act.

The CHAIRMAN. The point of order is sustained.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Vorys: On page 3, line 24, strike out "\$100,000,000" and insert "\$117,958,000."

Mr. TABER. Mr. Chairman, I make a point of order against the amendment

that it is not authorized by law. It is for an amount which is not authorized by law, and the fact that the sum is in the bill for \$100 million does not lay it open to anything beyond the figures that are in the bill.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. VORYS. Mr. Chairman, I merely want to point out that in the bill there is no limitation on that amount and, therefore, the amounts in this bill and any amendments proposing changes in them are germane under the rule under which we are operating.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS. If I have the floor.

Mr. ROONEY. When the gentleman voted to adopt the rule earlier in the day, did he not practically adopt every figure in the report and the bill?

Mr. VORYS. If I may comment to the gentleman, it seems to me that since the reason we are acting is because this bill has not become law, and we are acting on the basis of something that passed the House, it comes with poor grace from the Appropriations Committee to claim that changes in the amounts were not authorized by law. I think there is no point of order against that.

Mr. ROONEY. May I say to the gentleman from Ohio that I am in thorough agreement with him in that the United Nations technical assistance program should not be wiped out in one fell swoop. I said that here on the floor earlier in the day. However, I do not know how the distinguished gentleman is going to get around this point of order. How can you appropriate the funds to the U. N.?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. McCORMACK. In other words, the position of the gentleman from New York and the peculiar position in which the House finds itself, if a point of order is sustained a motion can be made to reduce any amount, but no motion can be made to increase any amount.

Mr. VORYS. It seems to me a motion to increase an amount is just as germane as a motion to reduce, under this rule under which we are operating.

The CHAIRMAN (Mr. GRAHAM). The Chair is prepared to rule. It is perfectly evident, upon examination, that this simply increases the amount, and therefore it is germane. The Chair overrules the point of order.

The gentleman from Ohio is recognized in support of his amendment.

Mr. VORYS. Mr. Chairman, this amendment restores the amount requested by the Eisenhower administration for the United Nations technical-assistance program, all of which was stricken out by the Appropriations Committee. It consists of \$9.9 million to complete the United States' pledge for calendar year 1954 and \$8 million to fulfill our pledge for the first half of 1955.

The amendment I offered was the proper way to do this, but it was barred by the technical point of order, and

therefore this is the best that can be done under the bill before us. If this present amendment is accepted, the transfer authorizations in the mutual-security legislation would permit the transfer of this amount to its clearly intended purpose.

What do we mean by "pledge"? It simply means that James W. Wadsworth, Jr., son of our beloved late Member, in a United Nations meeting in the fall of 1953, when they were getting up the budget for this organization, pledged that we would pay \$13.8 million. Nine and ninetenths million dollars of this was to be subject to congressional approval, because no one can pledge future action by the Congress. He also made the further proposal that from now on we pay 57 percent instead of 60 percent of the total amount to be raised. So that the amount in my amendment is 57 percent of the amounts contributed, not including the amounts to be furnished by the receiving countries. If the amounts contributed by the receiving countries are included, this amendment is about 22 percent of the whole amount.

There are two questions. One is a big one and the other is a little one. The big question is, Are we going to move out of this United Nations organization at the time the Communists move in? They did not participate until last year, when they found out they were losing out propagandawise because of the enormous popularity of this technical-assistance program. So last year the Communists and their satellites came in and put in about 8 million rubles, which I think is about \$1,250,000 in American money. Is that the time we want to bow out entirely through the back door from this United Nations organization, by means of not paying our dues? I want to say that in my judgment we get more for our money, in proportion, in good will out of our contributions to the United Nations technical-assistance programs than we do from our own technical-assistance programs, where the expenses are more than five times greater than the amount that is suggested here by the administration for the United Nations program.

It is said there is duplication. We found some in our hearings, but the duplication is at least intended to be in geographical areas and not in functions. That is, the U. N. will carry on a hospital program in a country where the United States is carrying on a bilateral educational one. There are 13 countries where the U. N. programs are the only technical programs.

This amendment will permit the restoration of the \$4,300,000 for FAO.

The little question involved is whether an activity important to our foreign policy should be cut off entirely because the agency disobeys admonitions in a committee report, or a conference report. I admit the great power and authority and value of a report from the Appropriations Committee but, after all, their word is not law. To admit this would give this committee, which is, after all, a minority in Congress, independent lawmaking power. In any case, the punishment for

failure to comply with a committee report should not be to wipe out an important program which is part of the administration's foreign policy.

We should continue our participation in this United Nations program. This amendment, although not the best way to insure this, will help.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. ROOSEVELT] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, I am most concerned by the attempt of the committee to reduce the appropriation for the mutual security program below what has already been authorized by the House.

Last week was a somber week for the free world. For there was no denying that although the Indochina war had ended, the free world had suffered a major defeat. An additional 12 million human souls have been engulfed by the Iron Curtain and we must frankly recognize that that uneasy truce in Indochina is no guaranty that other millions in southeast Asia may not some day share the same fate. The determination of the Communist overlords in Moscow and Peiping to dominate the world remains unabated and they are even now, as they have been for many years, scheming the next steps for infiltration and subversion for the rest of Vietnam, Laos, Cambodia, and their neighboring states.

The surest lesson of Indochina which the free world must learn is that men will fight for their independence and free men will fight to preserve their freedom, but no man will fight for another man's promise which he has learned to distrust. The people of Asia do not want promise but performance.

What has been the answer of our Government to the defeat of Indochina? The President and the Secretary of State have reaffirmed their determination to bring to a rapid conclusion a defense alliance of southeast Asia, Great Britain, France, and the United States patterned along the lines of the NATO Alliance. This is good, and all Americans must approve. But if we think that a defensive alliance alone will stop the march of communism, we are whistling in the dark.

The administration's program is completely inadequate. It places all of the emphasis on military strength. It is a policy which forgets that men must understand freedom if they are to fight for it.

The administration's program for technical assistance is little enough. Nevertheless, the committee has seen fit to cut over \$17 million from the United Nations technical assistance program and to cut our own technical assistance program initiated by President Truman to stem the tide of communism and to give the people of the underdeveloped areas of the world an alternative worth fighting for.

My colleagues on the other side of the aisle are always ready to fight commu-

nism if they can do it cheaply and with words. But this fight to be successful requires a certain amount of sacrifice. Oratory will never stem the advance of totalitarianism. Intelligent planning, such as we had through the Marshall plan, has proven itself.

Guns and bombs will not win the hearts of men. We must emphasize the economic and social goals as well as our military objectives. Just as the Marshall plan for Europe preceded and formed a firm foundation for the NATO Alliance, so must we continue our technical assistance programs if freedom is to survive in Asia. A further reduction of funds for these essential programs is a sure road to the suicide of freedom.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. VORYS].

Mr. Chairman, this brings the issue clearly into focus, as between the amendment which is now offered by the gentleman from Ohio [Mr. VORYS] and the amendment which I attempted to offer. About 10 years ago there was created a separate organization, an organization to stand upon its own feet, called the Food and Agricultural Organization, FAO. Please do not confuse it with recent State Department child, FOA. The desire of that organization—FAO—was to make it possible to send technical men into various parts of the world at very low expense in each case to show other peoples some of the improved techniques which we had learned in agriculture and in industry. The gentleman from Kansas [Mr. HOPE] was a Representative of this Congress in the creation of that organization.

Over the years we have appropriated money direct to that organization. We have earmarked it for that organization. My attempt, had the Chair not ruled it out of order, would have been to earmark, out of the \$100 million on page 24, \$4 million for the FAO, as we have done in the past. Now there is an attempt, as represented by the amendment offered by the gentleman from Ohio, to give money to the United Nations, of which the FAO is one of the subsidiary groups at the present time. Up to now it has had its own appropriation earmarked for it. We do not want the U. N. to decide how much shall go to the FAO, and how the money shall be spent.

In the past, for example, the ministers of agriculture have been those who, in the agricultural field, determined how the money was to be appropriated. If you give the United Nations the distribution of the money, this will be determined by the political representatives in the United Nations.

Listen to this, Mr. Chairman: There are in the FAO today 17 nations that are not members of the United Nations. They are not Communist nations; they are the free nations and they are our friends. There are in the United Nations six nations that are not members of the FAO. They are the Communist nations, the nations with whom we are at war, cold or hot, whatever you choose to call it.

The desire is to place the FAO money under the control of the United Nations, which has in it the 6 Communist nations and to take into that organization the 17 nations that are not members of the United Nations and that are our friends. I do think, Mr. Chairman, that a "No" vote is decidedly indicated on this amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Ohio.

Mr. VORYS. This amendment is the way to get something for FAO in this bill, is it not?

Mr. PHILLIPS. No; it is not. I say to the gentleman that he is putting it in the point 4 program of the United States, and if you will turn to page 537 of the hearings, you will see that \$80 million was all that could be justified before the committee on the basis of the State Department's own figures.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Washington.

Mr. HORAN. I want to say that with the United Nations in command, it will not be the FAO that will determine this technical assistance. It will be the Economic and Social Council of the United Nations, with the Communists sitting in there with the veto.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. ROONEY. May I say that the gentleman from California [Mr. PHILIPS] is correct in his conclusion that this proposed additional money would never reach the U. N. if the amendment offered by the gentleman from Ohio were adopted. It serves no purpose other than to add to the funds for technical cooperation, general authorization, the American program, not the U. N. program.

Mr. PHILLIPS. It would make it more than the request of the State Department to the committee.

Mr. ROONEY. By a number of million of dollars.

Mr. VORYS. Is the gentleman familiar with the transfer provisions of the legislation that passed the House which would make it possible immediately to transfer this sum?

Mr. PHILLIPS. I am aware of the transferability provisions. I am also aware there would be nothing then which specifically earmarks the amount, and it would be 4 times the amount necessary for the particular purpose.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. DONDERO. Do I understand that the Committee on Appropriations left this item out of the bill?

Mr. PHILLIPS. That is correct.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from New York.

Mr. ROONEY. I should like to correct an impression that the gentleman

from Ohio apparently has. These millions of dollars cannot be switched around just like that. They must be appropriated into the place where they are authorized by law. If he thinks the Committee on Appropriations permits such things to happen, I want to assure him that the committee does not.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think it is very unfortunate that we have a rule that will not allow us to fund FAO for this reason: Byelorussia S. S. R., China, Czechoslovakia, Poland, the Ukraine S. S. R., and Russia are not members of FAO. Therefore, we have some control of funds used through FAO, because Russia and her western satellites are not in it. It is a very small budget, that of FAO, never exceeding \$11 million, but it has been very effective. If you accept this amendment and turn this whole thing over to the United Nations, these six Russian nations will eventually get insidious control over the use of these funds. I hope the House will work its intelligent will on this amendment. Russia dominates, in the end, every good potential of the United Nations. She is not in FAO.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from California.

Mr. PHILLIPS. Will the gentleman put in the RECORD in connection with his remarks the names of the various nations?

Mr. HORAN. When we get back in the House I will ask permission to include in my remarks made here extraneous matter that I think will be well worth your reading.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not a fact that this United Nations technical assistance program is controlled by a board called UNTAB, the United Nations Technical Assistance Board, a board of 18 members, upon which, of course, the free nations would at all times have an overwhelming majority; is that not true?

Mr. HORAN. I have here a report from Geneva which says they, the United Nations, have to reaffirm and give better direction to all technical assistance programs. That is the Economic and Social Council of the United Nations that is going to tell us how to use these funds. It says we are going to have to revise and work this over so that we can get more effective use out of these funds from the pockets of America. I just hope that you realize what you are doing. You are putting these funds right under the thumb of Russia through this action.

Since Russia and her western satellites are not in FAO perhaps you would like to know more about this worthy—and so far—free world body:

The Food and Agriculture Organization of the United Nations has these chief aims:

To help nations raise the standard of living;

To improve the nutrition of the peoples of all countries;

To increase the efficiency of farming, forestry, and fisheries;

To better the condition of rural people;

And, through all these means, to widen the opportunity of all people for productive work.

TOWARD FREEDOM FROM WANT

FAO grew out of the United Nations Conference on Food and Agriculture held at Hot Springs, Va., United States of America, in May 1943.

At this Conference 44 nations agreed to work together to secure a lasting peace through freedom from want. They agreed that—

Two-thirds of the world's people are undernourished;

Their health could be vastly improved if they were able to get enough of the right kind of food;

The farmers of the world—two-thirds of its population—could produce enough if they used the best agricultural methods;

Full-time work for all could be provided by increased production and efficient distribution;

The nations must act together to attain these ends.

HOW FAO IS ORGANIZED

FAO was formally founded at Quebec Canada, in October 1945—the first of the new specialized United Nations agencies created after the war.

Forty-two governments ratified the constitution at Quebec; FAO's membership at present comprises 71 countries.

FAO is governed by a Conference in which each member nation has one vote. Between sessions of the Conference, the Council of FAO (World Food Council) acts as the Organization's governing body. It is composed of representatives of 24 member nations.

The Director-General, who is appointed by the Conference, directs the work of the Organization with a staff appointed by him.

The staff works through FAO's technical divisions—agriculture, fisheries, nutrition, forestry, and economics—to accomplish the Organization's objectives.

Temporary headquarters of FAO was in Washington, D. C., from 1945 until 1951. In 1949 the Conference voted to establish permanent headquarters in Rome, Italy, and the move to Rome was effected in 1951.

In addition to the headquarters office, FAO has regional offices in Washington, D. C., United States of America, for North America; in Cairo, Egypt, for the Near East; in Bangkok, Thailand, for Asia and the Far East; and in Rio de Janeiro, Mexico City, and Santiago de Chile, for Latin America.

HOW FAO IS FINANCED

FAO receives financial support from two sources. First, the direct contributions of governments to the regular program of the Organization. In October 1945 the first budget was fixed at \$5 million a year. It is now \$6 million a year.

FAO's second source of funds is its allocation from the special account established by the United Nations Technical Assistance Conference in 1950. This amount varies from year to year, but is between \$5 million and \$6 million. This money is earmarked for the provision of technical assistance to governments of underdeveloped countries.

Thus FAO's total financial resources for both regular and technical assistance purposes amount to a little more than ten million dollars per year.

The cost to the countries for their contributions to both programs on a per capita basis is indicated by the following examples of the annual average cost for the years 1951 and 1952: United States 2.6 cents, United Kingdom 2.4 cents, Netherlands 1.9 cents,

France 1.4 cents, Turkey 0.44 cent, India 0.09 cent.

HOW FAO WORKS

FAO does not have the funds or authority to buy and distribute food, supply fertilizers and farm machinery, or build and staff laboratories. But it does have three effective ways of reaching its objectives.

FAO collects the basic facts on food and agriculture, forestry, and fisheries, and makes them available in useful form.

FAO gives technical assistance to member countries requesting it.

FAO promotes action collectively among all its member countries; among countries in a region or those interested in the same problems; and in member countries individually.

WHAT FAO DOES

Collecting information

Countries which join FAO pledge themselves to attempt to do away with famine and malnutrition. Yet to plan how this can be accomplished, it is necessary to know just how much food different peoples are getting and how that amount compares with their needs. During its first year, FAO completed a world food survey which estimated the food situation in 70 countries whose people make up about 90 percent of the earth's population.

The world food survey showed that more than half the people of the world did not have enough food before World War II to maintain normal health. Only about one-third of the total population had really enough to eat, while the remainder were on the borderline.

This estimate of the world food situation made in 1946 was the basis of FAO's early planning. Since then, a part of each FAO conference has been devoted to a review of the world food situation.

FAO publishes yearbooks and periodicals containing statistical information, and also prepares special studies on such topics as soil conservation, animal disease control, farm mechanization, rice diets, salted cod, and the use of milk.

As part of this work, FAO published in November 1952 the second world food survey.

Technical assistance

Under FAO's regular program, technical assistance was given within the limits possible under a \$5 million budget. This program included sending experts to advise member governments on such matters as nutrition and grain storage, and led in Thailand to the successful veterinary campaign which ended by stamping out rinderpest in that country.

The growing demand for assistance from many countries led the General Assembly of the United Nations to make arrangements to set up a special account in 1949 to finance the Expanded Technical Assistance Program for under-developed countries. At a special conference in June 1950, 55 nations agreed to contribute more than \$20 million for the first financial year. FAO received 29 percent of the funds actually contributed.

Since then, 55 countries and territories have signed agreements with FAO for technical assistance under the expanded program.

Experts on tropical crops have gone to Ethiopia; fisheries experts to Haiti, Thailand, and Chile; nutritionists to Greece, Thailand, and Central American countries; and small-tools and farm-machinery specialists to India and Afghanistan.

Demonstration meetings have been held for technicians of various regions on such topics as hybrid corn breeding, food freezing, artificial insemination of livestock, and the manufacture of veterinary serums and vaccines.

FAO has distributed a wide variety of seeds for experimental purposes. This seed distribution is part of an FAO program to promote the international exchange of plant breeding material, for in a number of cases the introduction of new breeding stock has resulted in large increases in food production. To stimulate such international exchange, FAO has begun collecting a list of the varieties of important food crops which plant breeders the world over are using in their work.

At the request of the Austrian Government, FAO experts are advising on a broad program of forest rehabilitation.

The Indian Government has been helped in food processing and preservation problems. Greece and Ceylon are being assisted in dairy improvement programs. Assistance is being given to Pakistan in land drainage and reclamation.

Promoting action

The following are some examples of how FAO has promoted action:

On the recommendation of the nutritionist whom FAO sent to Greece, the Government set up a national nutrition service. School feeding programs were begun, and large shipments of dried milk were given to children, sick persons, pregnant mothers, and other special groups.

After FAO helped several Central American countries combat locusts during the severe plague of 1947, the countries of the area set up a cooperative program to combat this pest. A regional attack on locusts is necessary, for locusts may breed in one country, then swarm to another to devour its crops.

At the end of World War II, many commodities, such as rice fertilizers, fats, and oils, were very scarce. The countries in greatest need could not pay scarcity prices. FAO, through its International Emergency Food Committee, suggested the allocation of these commodities to try to make their distribution fair. Many countries cooperated with the IEFC, and thus widespread hunger was averted.

FAO has also promoted action by forming regional commissions in fisheries and forestry, an International Rice Commission in the Far East, and a foot-and-mouth disease control commission in Europe.

Fellowships. FAO fellowships are awarded as an adjunct to expert advice. Such fellowships are intended for further technical training in subjects such as irrigation, engineering, or wood technology, on which an expert is already working in his home country.

FAO also conducts temporary training courses for the instruction of technical and administrative personnel. Such courses are held either for the nationals of one country or for the residents of a region. They cover the whole range of FAO's operations.

FAO member countries: Afghanistan, Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Burma, Cambodia, Canada, Ceylon, Chile, Colombia, Costa Rica, Cuba, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, Finland, France, German Federal Republic, Greece, Guatemala, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Ireland, Israel, Italy, Japan, Jordan, Korea, Laos, Lebanon, Liberia, Luxembourg, Libya, Mexico, Nepal, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Panama, Paraguay, Peru, Philippine Republic, Portugal, Saudi Arabia, Spain, Sweden, Switzerland, Syria, Thailand, Turkey, Union of South Africa, United Kingdom, United States of America, Uruguay, Venezuela, Vietnam, Yemen, Yugoslavia.

This organization has, under the direction of America's N. E. Dodd, and now, Mr. Vincent Carden, former head of our research in the USDA, compiled

an envious record in the field of technical assistance.

Their technicians are not suspect as are the agents of nations, including our own Federal Government. They have not, so far, been hampered by the growing politics, intrigue, and stalemate that haunts the United Nations.

Yet the United Nations has taken steps to encumber and control the FAO and to make them the vassals of its politically minded councils. In these councils, Russia, of course, with her three vetoes is dominant.

Here is a recent announcement from a meeting of a United Nations technical assistance committee in Geneva:

EXPANDED PROGRAM OF TECHNICAL ASSISTANCE
ARGENTINA, CUBA, FRANCE, TURKEY, UNITED STATES, AND YUGOSLAVIA DRAFT RESOLUTION

The Technical Assistance Committee—

Reaffirming the need to revise, for 1955 and subsequent years, the general rules for allocation of technical assistance funds to the organizations participating in the expanded programs, as originally laid down in resolution 222 (IX) of the Economic and Social Council;

Reaffirming the principle that United Nations technical assistance programs should be drawn up at country level in accordance with the needs of each country and be integrated with the economic development plans prepared by national governments, the technical resources of the various participating organizations being used to the maximum in the preparation of those programs;

Considering that governments should be more closely associated with the planning and approval of programs;

Having examined the comments submitted by the Administrative Committee on Coordination in the section of its report relating to technical assistance (E/2607, paragraphs 10-16) and the additional information furnished by the Technical Assistance Board in response to the request of the Committee formulated in its report to the 17th session of the Council (documents E/TA/40 and E/2558);

A

Recommends to the Economic and Social Council to approve the following proposals:

1. As from January 1, 1955, the funds of the Expanded Program of Technical Assistance shall no longer be allocated to the organizations participating in the program on the basis of percentages fixed in advance. The funds shall be distributed on the basis of the requests submitted by governments and the priorities established by them, subject to the provisions of paragraph 2 below.

2. The planning and approval of the programs, and the allocation of funds for their implementation, shall be subject to the following procedure and principles:

(a) At the beginning of each year, the TAB shall formulate, and indicate to the various countries, as a guide in planning their programs, target figures showing the amount which may be allocated to them during the ensuing year on the basis of an assumed financial availability. The figures shall include agency subtotals for each of the organizations participating in the program, derived from their activities during the preceding year. Governments shall however be at liberty to present their requests without being bound by these subtotals.

(b) Programs shall be established at the country level by requesting governments in conjunction with the resident representatives, the participating organizations and their local representatives. Negotiations with requesting governments regarding country programs shall be carried on under the

principal responsibility of the resident representatives.

(c) The total technical assistance requests shall be forwarded by requesting governments to the TAB, with an indication of the priorities established by them. The TAB shall consider the requests, draw up the overall program for the following year, and submit it, with its recommendations, to the Technical Assistance Committee.

(d) The Technical Assistance Committee shall review the draft program in the light of its importance for economic development; this review shall not deal with the technical aspect of the program, but with program interrelationship, overall priorities, and evaluation of projects. On the basis of that review it shall approve the program, and its approval shall be a prerequisite for any commitment in regard to the implementation of the program. The planning and examination of the annual program shall be carried out in such a way that the TAC can give the Participating Organizations, by November 30 each year at the latest, an approximate idea of the total amount to be entrusted to them.

(e) Subject to the approval of the General Assembly, the TAC shall allocate funds to each of the participating organizations in proportion to their share in the overall program approved; these funds shall be drawn from the net financial resources, after setting aside the expenses of the TAB Secretariat, the Reserve and Working Capital Fund and "free money" up to 5 percent of the estimated resources for the financial year, the allocation of which shall be decided by the Executive Chairman of the Technical Assistance Board, who shall consult the Participating Organizations directly concerned. This fund of 5 percent is to meet any urgent needs which may arise during the implementation of the annual program.

(f) In allocating the funds to the different Organizations, the TAC shall insure that the amount allocated to each of them for the coming year is not less than 85 percent of the amount allocated to it under the current year's program, so as to avoid substantial fluctuations in the total amounts entrusted to each participating organization from year to year.

3. The TAC will continue to be under the authority of the Economic and Social Council and its decisions subject to general policy review by the Council.

B

Recommends the Economic and Social Council, in accordance with paragraph 6 (f) of Council resolution 222 (IX) concerning the powers vested in the Technical Assistance Committee, to approve the addition of the following functions to those now performed by the Technical Assistance Committee:

(a) The final authorization of the program.

(b) The allocation of funds available for its implementation.

The action of the House, today, does not help FAO. Had the Vorys amendment carried we would have directly funded this effort and would have destroyed a mighty good agency that has some semblance of independence and which, both in its assembly of 71 members has some regard for fair voting.

I trust that further consideration of this bill, in the other body and in conference, will correct this.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HOWELL].

Mr. HOWELL. Mr. Chairman, I support the amendment offered by the gentleman from Ohio.

Mr. Chairman, I want to direct my remarks to the provisions of the bill dealing with technical cooperation—that is, the so-called point 4 program as originally proposed in his 1949 inaugural address by President Truman and then adopted by the 81st Congress, and a somewhat similar but nonduplicating program adopted by the United Nations.

The purpose of these programs is to advance the cause of peace in the most effective long-range fashion yet devised. Much of the Mutual Security program, and most of the appropriations provided in this bill, deal with military strategy and military strength. We all know that such steps are vitally necessary in a divided world in which aggression is very much on the march.

But alliances by themselves are often transitory things. Military strategy must often change overnight to suit new conditions. Maginot lines are flanked and neutralized, sometimes before they have ever been put to any military test. Weapons become obsolete and must be replaced. Technology can neutralize even the best weapons, too. Perhaps the H-bomb itself has been neutralized as poison gas was neutralized merely by common possession of the weapon by the opposing sides and the fear of retribution.

Wars are fought, Mr. Chairman, for all sorts of reasons, but they are fought most often for economic reasons. Nations cut off from needed resources have launched wars to gain access to those materials. Others have committed aggression to find and seize markets. The Communist conspiracy seeks to conquer the whole world partly for these objectives, but mostly for the sake of destroying any system which upholds freedom. The point is that it gains its adherents in many parts of the world by pretending that it is interested only in the economic advancement of the common people, which is probably the biggest lie on the grandest scale the world has ever known.

Nevertheless, to the extent that communism does gain adherents among free men, it is on the basis of these completely fraudulent economic pretensions.

That being so, we can best, over the long range—assuming we can and will meanwhile sustain a strong and adequate military defense against it—remove the danger of communism and thus its aggressive potential by a world-wide effort to raise living standards and provide decent conditions for all people everywhere.

A peasant with his own farm on which he can provide adequately for his family's needs is about the poorest recruit imaginable for Communist-style collective farming. A well-paid worker in either agriculture or industry, able to raise his family in dignity and decency on his income, is no potential recruit for communism, either.

We make much sometimes of the Communist internal danger in the

United States, Mr. Chairman, but since 1933 there has been no danger whatsoever of any mass uprising of the American people in favor of anything remotely resembling communism. The only danger here comes from neurotic or unstable individuals who have forsaken other religions to embrace the religion of communism and who, under some incredible delusion, believe they serve a worthy cause by seeking to subvert or destroy freedom in the United States. There are few such Americans—a very tiny and almost infinitesimal fraction of the population, and most of them are well known to the FBI. Of course, they constitute a danger to the Nation, but not in the same way as would a mass movement of dispossessed and hopeless Americans recruited into the Communist Party in the hope of achieving for the first time in their lives some semblance of decent living conditions.

While we can be proud of America's freedom from this disease of mass despair based on hunger and misery, we must keep in mind that many underdeveloped areas of the world are not so greatly blessed. Communism, in those areas, is presented as the only alternative to continued hunger, misery, and hopelessness.

THE POINT 4 CONCEPT

Through point 4, by whatever designation the current administration chooses to call it to minimize President Truman's role as its originator, we are striving to get at these conditions of economic backwardness and teach people in the underdeveloped areas how to live better through self-help methods of improving agricultural and industrial production. It was, when President Truman first enunciated the idea, a bold, new program and it has been living up to its advance billing. The present administration was wary of the idea last year and asked for far from adequate funds. In the authorization bill we recently passed here to continue the program, the ceiling set by the administration again was low. Consequently, the most which could be appropriated for the program in the coming year would be \$112,070,000.

If the whole amount were appropriated, it would be only about 2 percent of the total amount in this bill, mostly for military purposes. Instead, the Appropriations Committee has cut the item from \$112,070,000 to a round \$100 million, saving two-tenths of 1 percent of the amount of money recommended here for all mutual-security purposes. This comparatively small sum, which probably does more to earn goodwill and friendship from people in the Communist-threatened parts of the world than any other money we spend—because it is a purely humanitarian people-to-people kind of friendly help—should be restored in full in the bill, and I shall support an amendment to provide the full budget amount.

THE U. N. TECHNICAL ASSISTANCE PROGRAM

Mr. Chairman, I support the amendment of the gentleman from Ohio [Mr. VORVY], to put back into the bill the \$17,958,000 required to carry out promises

to the United Nations, for the U. N. expanded program of technical cooperation.

The U. N. program grew out of our own point 4 program. It was based on a belief shared by most U. N. members that this kind of program was the most intelligent approach available today to the problem of securing lasting peace and friendship among nations. The U. N. program, which we are assured by Mr. Stassen does not duplicate the United States program—and vice versa—has the advantage of being a joint program in which all nations can participate. Some which might hesitate to accept aid directly from the United States for political or other reasons—and there could be a lot of such reasons—do not have this hesitation about joining in a U. N. program. The point is that it is to our advantage and to the advantage of all free nations seeking to maintain freedom in the world that we encourage in every possible way every possible means for raising the living standards of people in the underdeveloped areas. I do not think I have to belabor that point or the reasoning behind it. Looking at it just from the hardheaded business standpoint of world trade, we cannot sell tractors to people who do not yet know how to use steel plows; we cannot sell toothbrushes, if you will, to people who have yet to learn the barest rudiments of personal hygiene; we cannot sell industrial equipment to people who are still in an industrial caveman era.

But that is not the reason we enter such a program. It is, I think, the least of our concerns right now. We are interested in achieving a peaceful world. There can be no peace—no enduring peace—while vast areas of the world suffer such poverty, misery, and famine that human life inevitably is considered cheap because death is always levying such a tremendous toll each day.

If people are taught to live longer and better, war lords and aggressors will find it harder and harder to sacrifice hundreds of thousands of their men in battle, for no longer will the victims of such cruelty and inhumanity come forward to die so casually. In areas where the average life expectancy is around 30 years, as against our 70, and 11 or 12 percent of the children die at or soon after birth, naturally human life is considered pretty cheap.

The thing which bothers me most about the elimination from this bill of any funds for the U. N. technical-assistance program is that we are being asked to run out on a financial obligation we have pledged as a country to make to the U. N. I do not think that is a very good example for this Nation to set. True, the commitment which was made to the U. N. by our State Department was contingent on congressional approval. But the Congress had authorized participation in the program and the Congress in previous years has made good on these commitments. We owe already the U. N. \$9,900,000 for the rest of the 1954 calendar year. We committed ourselves as a Nation last November to pay the U. N. nearly \$14 million for the technical-assistance program during

1954 and we have only paid about \$4 million so far.

Since the U. N. operates on a calendar year and Congress appropriates on a fiscal-year basis, a good part of the money we appropriate in any one fiscal year is already owed to the U. N. for the current calendar year. So if we appropriate the budget amount now of \$18 million, nearly \$10 million of that goes to the current year's debt and that will leave \$8 million to apply toward the U. N. 1955 program, which is approximately half the amount the State Department plans to pledge for 1955.

If we have any doubt or hesitation about allowing this money, I think we owe it to ourselves and to our country's prestige and influence to note the explanation of the State Department in this respect, as it appears at page 446 of the hearings:

Of the total appropriation—for the 1954 fiscal year the Department reported—\$4,600,000 was used to complete the payment on our pledge for the calendar year 1953. That left a balance of \$3,900,000 of the 1954 fiscal year appropriation to apply to the calendar year 1954 United Nations program.

We were faced with the problem of two alternatives at the pledging conference which was held in November last year:

We had either to pledge \$3,900,000, the amount of available appropriated funds toward the calendar year 1954 program, or to pledge a larger amount subject to congressional approval. Because of the great importance we attach to this program, we decided to make the larger pledge, the difference between \$3.9 million and the larger amount, subject to congressional approval. The \$8 million * * * represents approximately one-half of the estimated 1955 calendar year program.

So here, Mr. Chairman, we have the word of the State Department—from a young man, incidentally, who was a delegate to the Republican National Convention in 1952—that the administration considered this program of the U. N. so important to our foreign policy that it made this commitment contingent on expected congressional approval. That approval should be forthcoming.

I do not think we, of all nations, should run out on U. N. commitments. It would be the best propaganda weapon the Communists could use against us, even though, in their case, they have been most miserly in supporting this program. I say that is all the more reason why we should treat the program generously.

Somewhere in the testimony either on the mutual-security authorization bill we recently passed or on this appropriation bill to carry it out, I noted that to many recipients of this kind of help, they make no differentiation between United States and United Nations technical help—they believe generally it is United States help. Should we throw that psychological advantage away?

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I rise in opposition to the amendment. I wish to associate myself with the remarks made by the gentleman from Washington [Mr. HORAN], and the remarks made

by the gentleman from California [Mr. PHILLIPS].

Apparently there is a great deal of confusion about this matter. I think we all agree that the work that has been done by FAO up to now has been worthwhile in many respects. We would like it to continue that way.

I think it is very important that the Members of the House know this: At the present time there are a number of member nations in the FAO which are not members of the United Nations, namely, Austria, Cambodia, Ceylon, Finland, Germany, Ireland, Italy, Japan, Jordan, Korea, Laos, Libya, Nepal, Portugal, Spain, Switzerland, and Vietnam. There are members of the United Nations who are not members of FAO. They are, Byelorussian S. S. R., China, Czechoslovakia, Poland, Ukrainian S. S. R., and the U. S. S. R.

I think this is a matter which probably can best be worked out in conference. Therefore, I urge the Members of the House to vote down the amendment introduced by the gentleman from Ohio [Mr. VORYS]. Apparently, the amendment would bring Communist countries into FAO, whereas at present they are out of it.

Mr. TABER. Mr. Chairman, I think the gentleman from New York [Mr. JAVITS], who has an amendment, should offer it now, so that we may see what it is.

Mr. JAVITS. Mr. Chairman, I offer an amendment to the Vorys amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS to the amendment offered by Mr. VORYS: On page 3, line 24, strike out "\$117,958,000" and insert "\$130,028,000."

Mr. TABER. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. This item is not authorized to the tune of \$130 million and it is not in order for the House to consider an amendment for an amount which is without an authorization.

The CHAIRMAN. Does the gentleman from New York [Mr. JAVITS] wish to be heard on the point of order?

Mr. JAVITS. I should; yes. The Chair has just ruled on that very question in reference to the Vorys amendment. I ask that the point of order be overruled.

The CHAIRMAN. The Chair overrules the point of order. The Chair ruled previously on the same question.

The gentleman from New York [Mr. JAVITS] is recognized on his amendment.

Mr. JAVITS. I wish to explain the situation. I am in favor of the Vorys amendment which is directed at a totally different matter, to appropriate the \$17 million for the United States contribution to the United Nations technical assistance program. My amendment proposes to add what the Committee on Appropriations has taken out of the President's program for the United States technical assistance program, which was \$112 million, which was the administration's express request for

technical assistance by agreements between the United States and other friendly countries.

The Vorys amendment concerns the United Nations multilateral technical assistance program which is an excellent investment for us in those areas which we cannot reach, for sound reasons, with our own program. It is an excellent investment and I am for it, but it does not deal with the question of the reduction in the strictly United States technical assistance program, which program we should not reduce. The President has requested us not to, and we should not, for this reason.

We are talking here about a great struggle with the Communist bloc. Eighty-five or ninety percent of this bill is for military defense security. What is then our offensive in this struggle? We are to have over 3,000 technicians abroad working for the technical assistance program, building up good will and support for the United States and for the free world, in these numerous countries in the world. If you look at the roll, you will see that this technical assistance program is getting into every spot in the world which is in real danger in a most effective way.

Are we going to be so foolish as to pinch pennies in our strong point in the offensive for freedom? I am all for our program of military security. It is entirely justified; its costs run into billions. In terms of money aggregates it makes a ridiculous comparison for us to think that we are going to save \$12 million by cutting it off this technical assistance program which gives help in \$1 million or \$2 million chunks or less to a whole host of countries. Which country are we going to take it out of? If any, it will probably be out of some country where we need it the most.

Let us take the case of Latin America, where we are spending about one-fourth of this whole amount provided for technical assistance something like \$23 million. Those countries think so much of this program that they are contributing twice as much, something over \$40 million a year to our \$23 million so that this program may be carried on adequately.

It seems to me that the committee ought to vote my amendment, taking care of the United Nations technical assistance program and approving the President's request for the technical assistance appropriation in this offensive for freedom.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I do not know whether the House wants to know anything about this or not, but here is the picture.

They were given \$9,500,000 last year, and the provision specifically states:

For contributions authorized by section 544 during the fiscal year 1954 under section 404 (b) of the Act for International Development, \$9,500,000.

In violation of the law they used that money for the first 6 months and they came in to us with a request for \$17,500,-

000 and a little more, \$9,500,000 of which was to supplement the 1954 deal. Then they only had a program of \$8 million for the year 1955. That is how silly this amendment is and the approach to it. They violated the law. It is one of the worst outfits we have. They have Communists on the roll, going into different places. From Poland they have one in India, and in Iran. Then they have a bunch down in Mexico and Yugoslavia, Turkey, and Ecuador.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. FORD. Is not this an attempt to circumvent the action taken by the committee? What the amendment intends to do is to get enough money in here so they can transfer it from here into the United Nations program.

Mr. TABER. There is no place where they can transfer it the way the bill reads now, because it is not there. There is no such thing as this multilateral business in the bill, and it could not be transferred to it because it is not there.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Virginia.

Mr. GARY. Is it not a fact that our committee had agreed to allow \$85 million for a technical-cooperation program, and then after we decided to cut out the United Nations technical-assistance program we added \$15 million to the \$85 million, making a total of \$100 million to make up for the amount that we had cut out of the United Nations technical-assistance program?

Mr. TABER. Yes; that is right.

This UNESCO business is in here, and that is the same thing that the gentleman from Iowa [Mr. GROSS] talked about this morning.

Mr. Chairman, I hope these amendments will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS] to the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 34, noes 110.

So the amendment was rejected.

Mr. TABER. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, every time I have an urge to speak, it invariably concerns a subject that I know very little about. There are certain obvious facts that we all should know, which I desire to discuss. We talk about going in with the Russians on some of these appropria-

tions as suggested by the gentleman from Ohio [Mr. VORYS]. We have had experience enough now to know that if you had a pistol right on the pupil of their right eye, you could not trust them. That ought to be enough. Who armed Russia? We did. They got \$13 billion from us. We set her up in business. We believed her but now we see the folly of our foreign policy. Who set the Reds up in China? We did. We furnished this material for Chiang Kai-shek and they took it away from him and built a great army with it. Finally, we refused Nationalist China a cent and the Reds over-ran China. That is what has been the result of our foreign policy. I hope the Committee on Foreign Affairs is not responsible for the conduct of our foreign affairs because we have lost thousands of boys and have spent billions, and have settled nothing. Who armed the Reds in Indochina? We did. We gave arms to the other side and they took them away from them and they are still hauling the guns and the trucks out and taking them over to build their own army. We have had several years of these experiments. I do not know how long you want to continue it. But with all the money that we have spent, the wars are still going on and we are no nearer to peace now than we ever were and Russia and her partner China are on the march for more territory. You say in one of these bills—the atomic energy bill, that any country can use it if they will promise that they will use it for peaceful purposes. That includes Russia. Do you want to turn these secrets over to Russia? Do you believe the promises they make they will keep? You have had experience enough. In the United Nations, Russia has come in now in supporting it with money. They want that now. You bet they do, because the United Nations at this minute is engaged in building a world government which Russia and Red China will control. They will have a lower house of congress selected by the population. Who will elect that lower congress? Russia and China. I say, when India is not for us, she is against us. Every time a vote has come up in the United Nations, have they ever voted with us? Not once. We built up Tito? I remember when the Congress was meeting in the other building, we voted \$50 million for Tito and he balanced his budget and immediately went over and got in bed with the Russians. He is a Communist. I never saw a Communist in my life, who I knew was a Communist, I could trust out of my sight. The American people ought to know that by this time. What is the use of driving the Communists out of Europe and Asia, if we are going to have them right here in the United States? There were 21 of them who were put out of the United Nations because they refused to answer certain questions. They hid behind the fifth amendment.

What did they do? They took an appeal to the United Nations. The United Nations decided against this country and ordered 11 of the expelled employees to be reinstated and be paid \$170,000 in damages.

The United Nations is reeking with Communists from one end to the other. You cannot find out anything about it.

It is none of our business, they say. Do you want to foist upon the American people an institution of world government that will consume our own? Is that what you want? I will vote "no" on every one of these propositions that you have presented here today to increase the amount. The least we can do is to follow the leadership of the gentleman from New York [Mr. TABER], and I know he has not cut it down where he thinks it ought to be, but he is doing the best he can. He is doing a heroic job, and I will support him by voting "no" on all increases, "yes" on all deductions, and finally aid him some more by voting "no" on the entire bill.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 13, after line 4, insert:

"Sec. 110. Not more than 96 percent of any appropriation or reappropriation in this act shall be available for obligation."

Mr. BUDGE. Mr. Chairman, I shall not discuss the merits or demerits of the legislation now before us. To do so after the statement of the gentleman from North Dakota [Mr. BURDICK] would be surplusage.

I desire, however, to call the attention of the House to the fact that in this bill there are more funds than Harold Stassen and the FOA requested. At the time Mr. Stassen appeared before the Foreign Affairs Committee he estimated that there would be carry-over funds from fiscal 1954 of \$1.6 billion dollars. He requested from the Foreign Affairs Committee an authorization of new money of \$3.4 billion. When he appeared before the Appropriations Committee it developed that instead of \$1.6 billion in carry-over funds there would actually be at least \$2.6 billion in carry-over funds. Mr. Stassen in his testimony before the Appropriations Committee said this on page 20 of the hearings:

Mr. TABER. Do you have a figure handy of the estimated unobligated balances at the end of fiscal 1955?

In other words, the chairman of the committee was inquiring as to how much would be unexpended at the end of June 1955, and this is what Mr. Stassen said:

Yes, sir. It is in a table in here on page 10, I believe. On the right-hand column is the fiscal 1955 data. At the end of fiscal 1955 we anticipate that there will be an unobligated balance of \$1,004,479,554.

Now, if the funds which are appropriated in this bill, if the entire amount of the bill is appropriated, you are appropriating some \$200 million more than Mr. Stassen said he wanted for fiscal 1955. As a matter of fact, the FOA confessed judgment to the tune of \$1 billion between the time they appeared before the Foreign Affairs Committee and the time they appeared before the Appropriations Committee. The Appropriations Committee has seen fit to accept

that confession of judgment up to the tune of \$800 million.

This amendment would simply take advantage of the other confession of judgment up to the total of the \$1 billion dollars. It would decrease overall the amounts in the bill by some \$200 million, a 4 percent decrease, and would leave in the bill the exact amount of money which Mr. Stassen said he wanted. It would leave enough money in the bill so that the unobligated balance would be reduced to zero instead of to \$200 million as would now be called for.

Some people might say that this is a shotgun approach, but if there ever was a bill upon which a shotgun approach is necessary and called for, it is in this instance. I repeat that all of the funds which the FAO requested will be carried in this bill if my amendment is adopted.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Virginia.

Mr. GARY. Will not the gentleman admit that it is a shotgun approach?

Mr. BUDGE. No question about that. I think the only way this bill can be approached is by the shotgun method. We have had shotguns mentioned around here all afternoon. Certainly if we get all the money that the FAO wants I do not see how the gentleman from Virginia or anybody else can complain.

I hope my amendment will be adopted.

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Idaho.

Mr. TABER. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. FORD. I yield to the gentleman from New York.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FORD. Mr. Chairman, the amendment offered by the gentleman from Idaho by his own statement is a shotgun approach to this appropriation. It should be pointed out very clearly that the gentleman does not seek to reduce the amount of funds; he simply by the shotgun approach seeks to tie up an additional 4 percent of the obligational authority.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Idaho.

Mr. BUDGE. Does the gentleman question my statement that if the amendment is adopted the FAO will have all of the funds which it requested? Is not that true?

Mr. FORD. They will have all of the funds for some future date, but they can only obligate for the fiscal year 1955 the amount appropriated less 4 percent. The gentleman from Idaho seeks, in effect, to reduce this appropriation in fiscal 1955 by this limitation method.

It should be brought out and reemphasized that the Committee on Approp-

riations in recommending this bill to the Committee of the Whole has reduced the total funds requested by the executive branch by something over 13 percent or a total of \$812 million.

The gentleman from Idaho by his amendment would further restrict the obligational authority during the present fiscal year by approximately \$208 million, so that during this fiscal year you would have an outright reduction in funds of \$812 million below that recommended by the President, plus this further hamstringing obligational limitation of some 4 percent, which would make a dollar limitation of \$208 million.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Idaho.

Mr. BUDGE. I may say that I have no pride of authorship in this particular type of amendment which the gentleman has referred to as a shotgun approach. The original author of this type of amendment was the distinguished gentleman from New York [Mr. TABER] and the distinguished gentleman from Texas [Mr. THOMAS]. This type of amendment has been used in the Congress before under the sponsorship of those gentlemen.

Mr. FORD. I do not believe that this type of amendment is necessary or desirable. We have already taken rather serious action in reducing the funds that were proposed by the executive branch.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. This is really just an attempt to do with a shotgun what the House specifically refused to do with a rifle heretofore this afternoon.

Mr. FORD. That is entirely correct. We defeated an amendment earlier that would have seriously impaired the military aspects of this program. It would be very unwise in my judgment to approve such an amendment which would impair the military aspects of the program.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Virginia.

Mr. GARY. Would this, as a matter of fact, not put the House in the ridiculous position of saying "Here is the money, but you can only use 96 percent of it"?

Mr. FORD. That is entirely correct. I hope the amendment is rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 51, noes 118.

So the amendment was rejected.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I offered in committee an amendment which was adopted which will protect million of dollars of taxpayers' dollars.

This amendment had to do with foreign credits and counterpart funds available to various agencies of the

United States Government in certain foreign countries. Foreign credits are created abroad in various ways, the most usual of which is through the sale of United States property. Counterpart funds are created under this foreign-aid program, when goods and commodities furnished by the United States are sold to the people of another country and the proceeds are placed in a special fund to carry out certain agreed upon programs. Ten percent of these counterpart funds are set aside for the use of the United States in meeting the costs of its various agencies operating in each country.

Section 1415 of the Supplemental Appropriation Act of 1953, which was introduced 2 years ago by the gentleman from Michigan [Mr. RABAUT], was adopted to correct certain abuses which were found to exist relative to the use of these foreign credits and counterpart funds. It requires that agencies having need for these foreign credits and counterpart funds must come to Congress for an appropriation to cover the purpose for which they were to be used. Prior to the adoption of the amendment, it was possible for the various agencies such as FOA and the State Department to supplement their appropriations for programs under their supervision by dipping into these counterpart funds, which were available without restriction. In one instance the committee found that a cut in administrative funds for 1953 was partially nullified in this manner.

Section 502 of the basic legislation for the mutual security program, now pending before Congress, repeals most of the legislative control provided by section 1415, by exempting counterpart funds generated from surplus agricultural commodities furnished under section 550. In 1954, such transactions amounted to well over \$250 million and in 1955 it is estimated that they will run somewhere between \$350 million and \$500 million.

My amendment which was adopted and is now in this bill was intended to control the use of these funds, by making them subject to section 1415, and thereby restore to Congress the control over all funds to be used for the mutual security program. There is little use in attempting to limit regular annual appropriations for these programs unless Congress also has some control over these counterpart funds. The weeks and months of deliberation by Congress are largely wasted if the various agencies such as FOA and the State Department have access to an unlimited source of funds to restore cuts made by Congress.

The committee has reduced administrative funds for FOA and the State Department in this bill by over \$4 million for next year. If section 502 prevails, there is nothing to prevent these agencies from making up this cut by dipping into these counterpart funds. Also, there is the large sum of over \$50 million in this bill for exchange of trainees and related training programs, exclusive of the exchange-of-persons program in the State Department. In the absence of my amendment, there is

nothing to prevent these agencies from further expanding this activity, through the use of these counterpart funds.

The \$350 to \$500 million in counterpart funds which will be generated through the surplus agricultural commodity section of the bill next year should be controlled as fully as any other part of the bill.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to call attention to a provision in the bill which I think does not do what its authors intended, and which does some things that are harmful and which I do not believe they intended. We have not been able to get an agreement on language here today, so no amendment will be offered, but I hope it will be corrected in conference.

On pages 9, line 19, are these words:

Notwithstanding the provisions of section 502 of the Mutual Security Act of 1954, all expenditures of foreign currencies or credits for the purposes of such act shall be subject to the provisions of section 1415 of the Supplemental Appropriation Act, 1953.

Section 502 of the Mutual Security Act of 1954 continues available the foreign currencies received from the sale of surplus agricultural commodities under section 550 of the Mutual Security Act of 1953 which we passed last year. Now, this language will require that to spend those foreign currencies derived from sale of farm commodities purchased from last year's appropriation, they must be bought again by new appropriations from this year's bill. That is, it will require a double appropriation for the same agricultural commodities and artificially inflate the cost of this whole program. Furthermore, it will defeat the sale of agricultural surpluses for foreign currencies. It is cheaper and easier to give them away. They have to be bought only once if given as a grant; but bought twice if sold. Surely that is not what the Appropriations Committee had in mind when it put in this language. It probably felt, and perhaps in some cases had reason to believe, that some of the foreign currencies received from the sale of surplus agricultural commodities abroad were being used for other purposes than the Congress had in mind when it appropriated the dollars for the mutual security program, with which the commodities were purchased under section 550.

Now, this is the way it operates. Suppose, the Defense Department wants to make an agreement with a munitions factory in Italy to make certain military items for the common defense. Under offshore procurement they can be made more economically over there than here. FOA gets Italian currency from the sale of our wheat, cotton, tobacco, or whatever it may be. Then when the military items are delivered by the Italian factory, the lira are supposed to be used to pay the bill instead of dollars, the dollars having gone to purchase the wheat, cotton, and tobacco in the United States.

But, if you make all these foreign currencies derived from the sale of surplus agricultural commodities come back to

the Committee on Appropriations, then we have to appropriate money a second time to buy from the Treasury the Italian currency which was obtained by the sale of the products bought with the original American dollars.

What it amounts to is an invisible cut in the amount of aid given. Last year \$245 million worth of agricultural commodities were sold for foreign currencies. More than two hundred million of those currencies are still unspent, although committed in international agreements. So the effective appropriation in this bill is cut by that amount.

Furthermore, under section 550 of the act last year more surplus agricultural commodities have actually been disposed of abroad than under any piece of legislation we have. This language will retroactively negate most of the benefits obtained from that operation, and will effectively "gut" the program in the future. I hope it will be taken care of in the other body and in conference.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NEAL. Mr. Chairman, the United States has been spending her money, her resources, and her manpower in the hope of buying friends. She has become entangled in political intrigue in nations around the world. She has suffered diplomatic humiliation and accepted virtual military defeat in Korea and Indochina. She has been embarrassed by frequent defection of her trusted allies. She has witnessed a decline in respect, influence, and leadership abroad while permitting progressive socialism, national indebtedness, and confusion at home.

We should take a leaf from the pages of Russia's recent history. She has kept the door to her domestic affairs closed to the outside world. She has conserved her internal wealth and saved her manpower from slaughter. By intrigue and subversion, she has absorbed one border nation after another. By propaganda and deception, she has aroused racial hatred among the peoples of contiguous nations. These, at least temporarily, have succumbed to her overlordship. She has bolstered her economy and increased her wealth by confiscation.

Russia has played her strength, her wits, and her opportunism against our money. America, the philanthropist, sees her international leadership waning. Why compel Americans to continue this vain sacrifice?

Mr. REES of Kansas. Mr. Speaker, I regret that I cannot support this legislation. It provides for an additional expenditure against an already depleted Federal Treasury, in the amount of \$5,208,000,000. This is in addition to \$7,397,000,000 already appropriated but not expended. So, you have a total of more than \$12,600,000,000 that you are going to spend in 60 foreign countries. It amounts to an average of \$375 for every family in the United States.

It is possible, and I think proper, that a share of this expenditure is helpful. That is where it really reaches the individuals themselves. But most of this huge expenditure goes to the heads of the

governments who spend it largely as they choose.

I just cannot see why, with \$7,397,000,000 obligated but unexpended and with \$2,312,476,000 on hand, why in the world you should obligate your Government and mine for this additional appropriation, which, in fact we have not got but will have to borrow. This, in spite of the fact that our debt now is more than the combined debt of all other nations of the world.

Certainly, if I thought this expenditure would halt communism, I would not hesitate to support it. I know every Member feels the same way about it. It seems strange heads of other countries do not appreciate our assistance as we think they should. The people, themselves, know only about a small part of it. In fact the governments of many of the countries who share in this fund are anxious to use it in trade with Communist dominated countries.

The least you can do is to withhold the new appropriation included in this bill and do more careful checking on the funds that have already been obligated. I want to repeat seven and a half billion dollars is a huge unexpended fund but already promised and earmarked for projects in foreign countries.

Mr. TABER. I move that all debate on this bill and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GRAHAM, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 10051) making appropriations for Mutual Security for the fiscal year ending June 30, 1955, and for other purposes, pursuant to House Resolution 686, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Is a separate vote demanded upon any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. PASSMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PASSMAN. I am.

The SPEAKER. The gentleman qualifies.

The Clerk read as follows:

Mr. PASSMAN moves to recommit the bill, H. R. 10051, to the Committee on Appropriations.

The SPEAKER. The question is on the motion to recommit.

Mr. DAVIS of Wisconsin. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were refused.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. GARY. Mr. Speaker, on that I demand the yeas and nays.

Mr. HALLECK. Mr. Speaker, the gentleman from Texas [Mr. RAYBURN] has informed me that because of the fact that there are primaries on in Louisiana and Arkansas today, he had told a number of Members on his side that there would be no record vote today. In view of that fact, I ask unanimous consent that further proceedings in connection with the passage of this bill be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISPENSING WITH BUSINESS ON CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, tomorrow, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit tomorrow during sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

HOOR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, as I understand it, there are a couple of conference reports that will take very little time; also, I should like this evening to dispose of H. R. 9413, the Capitol Police Force bill; S. 3137, from the Committee on Agriculture, having to do with water resources; H. R. 3534, from the Judiciary Committee, having to do with patents; and H. R. 9390, from the Committee on Interstate and Foreign Commerce, having to do with prisoner-of-war benefits.

I may say that these bills have been discussed with the committee chairmen

on this side of the aisle and with the ranking members on the other side, and I think they can be disposed of very shortly.

Mr. Speaker, let me say also that I have high hopes that we may yet this week dispose of the measures that are before us on which rules have been granted and which should be considered, in order that we may send to the other body before the week is out a resolution for sine die adjournment.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. MILLER of Nebraska. Is it anticipated there may be some day or two for suspensions for certain bills on which we do not get rules?

Mr. HALLECK. That is a matter I would have to take up with the gentleman from Texas [Mr. RAYBURN], because suspensions are not in order this week, and I have not spoken to him about it. However, I rather suspect if I were to tell him what bills we had in mind for suspensions and, if it met with his approval, he might permit us to call them under suspension.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from California.

Mr. PHILLIPS. Can the majority leader tell us about the arrangements tomorrow for the joint meeting to receive the President of South Korea?

Mr. HALLECK. We have just arranged that we will come in at 10 o'clock tomorrow morning. The vote on the measure just under consideration, which I assume will be a record vote, can take the place of a quorum call as we meet at 10 o'clock tomorrow. Then we shall call up the conference report on the tax bill. I understand there will be a motion to recommit on the tax bill. I can see no reason why we cannot dispose of that matter before the appearance of the President of South Korea.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Will there be a call of the Consent Calendar this week?

Mr. HALLECK. I have expected to call the Consent and Private Calendars again before the week is out. I do not know just what day it will be. However, that certainly is in mind, as I said before.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. LECOMPTE. Did the gentleman say that he contemplates a resolution for sine die adjournment yet this week?

Mr. HALLECK. Yes.

Mr. LECOMPTE. The gentleman contemplates that we can have an early adjournment?

Mr. RAYBURN. Of course, that resolution will have to have the consent of the Senate.

Mr. HALLECK. That is right. I may say to the gentleman from Iowa that if we pass a sine die adjournment resolution, necessarily it goes to the other body

and they could amend it for whatever might suit their necessities, but as far as we are concerned here in the House of Representatives, I think that on the whole by the time the week is out we will have disposed of the matters that are to be disposed of in this session of Congress. That is not to say that if we continue in session there are not some other measures that might be called.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from South Carolina.

Mr. RIVERS. Will we have 3-day recesses pending the decision of the other body, which may be into the late fall of this year?

Mr. HALLECK. I trust that the assumption of the late fall this year shall not come to pass. There has been no determination, I may say to the gentleman, about the 3-day recesses. But I can state this, I think, for the RECORD, that if we get our work done and we are awaiting action in the other body and for measures to go to conference on which conference action would be required, the necessity for Members to be constantly in attendance would be slackened, to say the least.

AUTHORIZING LONG-TERM TIME CHARTER OF TANKERS BY THE SECRETARY OF THE NAVY

Mr. ARENDS. Mr. Speaker, I call up the conference report on the bill (S. 3458) to authorize the long-term time charter of tankers by the Secretary of the Navy, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2489)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3458) to authorize the long-term time charter of tankers by the Secretary of the Navy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That (a) the Secretary of the Navy or such officer as he shall designate is authorized to enter into contracts upon such terms as the Secretary of the Navy shall determine to be in the best interests of the Government for the time charter to the Navy of not to exceed 15 tankers not now in being for periods of not more than 10 years to commence upon tender of the tankers for service after completion of construction. The Secretary of the Navy shall (1) award such contracts on a competitive basis to the lowest responsible bidder, and (2) give preference to operators who are exclusively en-

gaged in the operation of American flag ships.

"(b) The hire stipulated with respect to any tanker in any charter party entered into under this section shall not exceed an average rate for the life of the charter party of \$5 per deadweight ton per month: *Provided*, That such average rate will not result in the recovery of more than two-thirds of the construction cost of such tanker.

"(c) No contract shall be entered into by the Secretary of the Navy pursuant to the provisions of this section unless the contractor agrees (1) that during the period of such contract he will not transfer to foreign registry any tanker owned by him at the time of entering into such contract, and (2) that the tanker or tankers contracted for shall remain under United States registry during the period in which such tanker or tankers are under charter to the United States.

"(d) Any contract entered into pursuant to this section shall grant to the Secretary of the Navy an option to purchase any tanker chartered pursuant to this section at the expiration of such contract at its then depreciated value or fair market value, whichever is less, and shall contain a provision that such option shall not be exercised later than 1 year prior to the expiration of such contract.

"SEC. 2. The President is authorized to undertake the construction of not to exceed 5 tankers, and there is hereby authorized to be appropriated not to exceed \$37,500,000 for such purpose.

"SEC. 3. All tankers constructed pursuant to sections 1 and 2 of this act shall be approximately 25,000 deadweight tons each, shall have a speed of not less than 18 knots, and shall be constructed in private shipyards within the continental United States. The construction of the tankers shall be, so far as practicable, of materials and equipment produced or manufactured in the United States. Not more than 3 tankers authorized by this act shall be constructed in any 1 shipyard."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An act to authorize the long-term time chartering of tankers and the construction of tankers by the Secretary of the Navy, and for other purposes."

And the House agree to the same.

L. C. ARENDS,
PAUL SHAFER,
STERLING COLE,
PAUL CUNNINGHAM,
CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,

Managers on the Part of the House.

LEVERETT SALTONSTALL,
STYLES BRIDGES,
By L. S.

RICHARD B. RUSSELL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3458) to authorize the long-term time charter of tankers by the Secretary of the Navy, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

On May 24, 1954, the Senate passed S. 3458, a bill to authorize the long-term time char-

ter of tankers by the Secretary of the Navy, and for other purposes. On July 14, 1954, the House considered the Senate bill and amended it by striking all language after the enacting clause and inserting new language.

The Senate and House versions expressed two wholly different approaches to the problem of providing tanker tonnage for use by the Military Sea Transportation Service. The bill as agreed upon by the conferees is expressive of the philosophy of both the House and the Senate in that 15 tankers will be chartered in accordance with the Senate version of the bill and 5 tankers will be constructed in accordance with the House version of the bill. The end result, therefore, will be to provide the 20 tankers conceded by both versions to be necessary at this time.

Perfecting and clarifying amendments were proposed by the House conferees and accepted by the Senate conferees. In essence, these amendments provided (1) that the tankers shall be approximately 25,000 deadweight tons (as distinguished from the original Senate language which would have permitted the construction of tankers of not less than 25,000 deadweight tons nor more than 32,000 deadweight tons); (2) for agreement on the part of the charterers that during the period of a charter no tankers owned by a charterer at the time of contracting would be transferred to foreign registry; and (3) that the United States shall have the option to purchase any chartered tanker not later than 1 year preceding the expiration of any charter contract.

The conferees agreed to strike that portion of the Senate version which would have permitted an operator, subsequent to the charter period, to transfer a chartered tanker to foreign registry with the permission of the Secretary of the Navy and the Secretary of Commerce. It was the view of the conferees that the insertion of language which would preclude the transfer of any tanker to foreign registry during the charter period was an adequate protection of the interests of the United States and that after the charter period existing law would be adequate to so protect its interests.

The conferees further agreed to strike that part of the Senate version of the bill which would have required the tendering of the vessels within 2 years following the date of the contract to charter. This provision which was, in its essence, designed to insure distribution of the construction of the tankers throughout shipyards in the United States has been appropriately dealt with by the insertion of language requiring that not more than 3 ships shall be constructed in any 1 shipyard.

The House and Senate conferees, while agreeing to the provision that not more than 3 tankers should be constructed in any 1 shipyard, were also in agreement that greater distribution of the construction throughout the United States would be effected by there being not more than 2 ships constructed in any 1 shipyard and therefore urge this latter course.

L. C. ARENDS,
PAUL SHAFER,
STERLING COLE,
PAUL CUNNINGHAM,
CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,

Managers on the Part of the House.

Mr. ARENDS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

TRANSFERRING OF HOSPITAL AND HEALTH FACILITIES FOR INDIANS TO PUBLIC HEALTH SERVICE

Mr. MILLER of Nebraska. Mr. Speaker, I call up the conference report on the bill (H. R. 303) to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2430)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 303) to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 3, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter inserted by the Senate, insert the following: Page 2, line 2, after "Welfare" insert: "Provided, That hospitals now in operation for a specific tribe or tribes of Indians shall not be closed prior to July 1, 1956, without the consent of the governing body of the tribe or its organized council"; and the Senate agree to the same.

WESLEY A. D'EWART,
E. Y. BERRY,
JACK WESTLAND,
WAYNE N. ASPINALL,
JAMES A. HALEY,

Managers on the Part of the House.

ARTHUR V. WATKINS,
HENRY C. DWORSHAK,
THOMAS H. KUCHEL,
CLINTON P. ANDERSON,
ALTON LENNON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 303) to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1 is technical in nature and would make clear that all authority now vested in the Department of the Interior and its administrative officials, as well as all functions, responsibilities, and duties relating to the maintenance and operation of hospital and health facilities for Indians, and the conservation of the health of the Indians, will be transferred by this act.

Amendment No. 2 would operate to bar closure prior to July 1, 1956, of hospitals in operation on the effective date of the act,

without the consent of the governing body of the tribe or its organized council. Public Health Service representatives have consistently indicated their unwillingness to close any existing hospital unless and until convinced by that agency's own analysis of the situation that closure of a particular facility is deemed desirable in order to better meet the health needs of the Indians through an alternative plan of providing service.

The amendment would establish a period of almost 2 years to permit Public Health representatives to analyze the present situation, fully consult with tribal authorities and governmental representatives of the area affected, and thereafter arrive at administrative decisions relative to expansion, closure, or consolidation of existing facilities.

Amendment No. 3 would make July 1, 1955, the effective date of the act, to coincide with the fiscal year end, and to permit the two Departments primarily affected sufficient time to ready for transfer.

WESLEY A. D'EWART,
E. Y. BERRY,
JACK WESTLAND,
WAYNE N. ASPINALL,
JAMES A. HALEY,

Managers on the Part of the House.

Mr. MILLER of Nebraska. Mr. Speaker, I yield such time as he may require to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Speaker, I consider this one of the most important pieces of legislation dealing with the health of Indians in this country. It certainly is necessary if we are going to give the Indians the health services that they need. The committee has done a great deal of work on the bill.

Because of shortage of medical personnel, the Bureau of Indian Affairs now operates a number of small hospitals with only a single medical officer on the staff and most of their other hospitals are seriously understaffed. With the prospective termination of the doctor draft the staffing problem may become still more serious in the future.

With a medical staff so limited as to require a deployment of one doctor per hospital, it is obvious that either the number of separate hospitals must be reduced or the quality of medical care in all hospitals will be seriously impaired. Under such circumstances, it would be wiser, from the standpoint of overall Indian needs, first, to close some of the small hospitals in areas where contract beds can be readily obtained in nearby community hospitals; and, second, to reassign the medical and other staff to Indian hospitals on reservations or other remote areas where there are no available community hospitals.

Apart from the problem of proper utilization of limited medical manpower, there may well be local situations which indicate the need for hospital closures. As a result of reduced patient loads in some hospitals serving dwindling Indian populations, the cost of maintaining a separate hospital may be exorbitant. It is reported, for example, that 1 of Bureau of Indian Affairs hospitals had an average patient census of only 11 during fiscal year 1953 and that there are currently only 6 patients in the hospital. The resulting per diem cost per patient of \$25.50 in 1953—with a

much higher cost, probably doubled, indicated for 1954—can hardly be justified if there are, as reported, adequate beds in nearby community hospitals in which excellent care could be purchased under contract.

Some of the Indian hospital buildings are old and decrepit and cannot long be maintained in a safe condition. If there are adequate beds available in readily accessible community hospitals, the construction of a new hospital building could not be justified. In such cases closure of the Indian hospital may be necessary.

It should be noted here that closure of a hospital would not necessarily mean termination of all direct Federal medical care services. It might be feasible and desirable in some or all cases to contract for hospital care but to operate an outpatient clinic and/or nursing care unit staffed by Public Health Service personnel supplemented by the part-time services of local physicians on a contract basis. This would permit a better quality of hospital care than can possibly be provided in a one-man hospital without terminating all personal health service facilities operated exclusively for the Indian population of the community. It would also make it easier to recruit and retain medical personnel for Indian hospitals, for doctors are not attracted to hospitals that are substandard in their staffing and hence in the quality of care provided.

In the opinion of the Bureau of Indian Affairs, 17 of its hospitals could be closed or converted to outpatient clinics and better hospital care obtained for Indians on a contract basis from local community hospitals. The Public Health Service would not be willing to close any existing hospital unless and until convinced by its own analysis of the situation that closure is necessary, but the possibility that some such closures may be required is clearly suggested by available information. While every effort would be made in such cases to explain the situation to tribal representatives and to obtain their approval of the proposed alternative arrangements, it does not appear justifiable to require such tribal approval as a prerequisite to any closure.

In 1946 the Bureau of Indian Affairs had 86 physicians to administer the health program and operate 73 hospitals. This situation was alleviated somewhat by an agreement with the Health Resources Advisory Committee and the United States Public Health Service whereby physicians serving under the Doctor-Draft Act were commissioned in the Public Health Service and assigned to the Bureau of Indian Affairs for duty. Under this program there was a peak of 111 Public Health Service physicians out of a total of 173 physicians in the Bureau of Indian Affairs in 1952. However, since the cessation of the Korean war the number of physicians being brought into the Public Health Service has materially decreased and the number assigned to the Bureau of Indian Affairs has also decreased. On June 24, 1954, there were 131 physicians on duty in the

Bureau of Indian Affairs, of whom 79 were Public Health Service officers and 52 were civil-service physicians. The record also indicates that 57 of the Public Health Service officers will complete their active duty with the Service between now and December 31, 1955. There are currently 70 vacancies which neither the Bureau of Indian Affairs nor the PHS have been able to fill.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Speaker, I have been opposed to H. R. 303 from the time of its first introduction in Congress, which was during the 1st session of the 83d Congress. At the start of the consideration of this measure the entire Oklahoma delegation joined in a resolution of opposition to this legislation. It was felt at that time, and I believe it is felt now, that this is a piece of legislation which represents a fundamental departure from the policy of the Federal Government with reference to the treatment of our Indian people.

For many years it has been the policy of our Government to place in one agency or bureau of the Government responsibility for taking care of the problems of our Indian people. There still is a serious problem in this regard in this country. It has been our feeling from the very first that this bill, which would take away from one agency and place in another agency responsibility for Indian health, was a very dangerous departure from the established policy of our Government in this field.

The apprehension and feeling of opposition to this bill, which were felt by the delegation from Oklahoma, were also felt by a number of responsible officials of the Government of the United States. When this bill was first presented to the committee, the Department of the Interior voiced its official opposition to the bill. I quote at this time language which appeared in a statement of Mr. Orme Lewis, Assistant Secretary of the Interior. His reasoning was as follows:

The various service programs for Indians are so closely related that it is deemed inadvisable to separate the administration of the health services from the administration of other services to the Indians. The education, welfare, law and order, and health functions of the Bureau are particularly interrelated.

Later, it is true that Mr. Orme Lewis changed his position on this bill at the last minute when it was being considered before the Senate committee, but he did not explain why this reasoning was no longer good reasoning.

May I also quote to you from a letter which Mr. Lewis sent to the committee, an opinion of the Bureau of the Budget in connection with this bill:

You are advised that while there would be no objection to the submission of such report as you consider appropriate, this office concurs with the views of the Department of Health, Education, and Welfare and does not endorse the transfer of functions proposed by S. 132. In the absence of a showing of economies, improvements in efficiency, or more effective administration in the discharge of the Federal Government's responsibility for health services to Indians and

the operation of Indian hospitals, it is the view of this office that the proposed changes in organization would be undesirable.

I am not informed of any change which the Bureau of the Budget has taken with respect to this legislation.

Finally, we have the other department involved in this transfer—the Department of Health, Education, and Welfare—taking a position of opposition to this bill. Here is what Mrs. Hobby, Secretary of the Department of Health, Education, and Welfare had to say on the subject:

Such transfer in itself would not overcome the fundamental difficulties which have retarded the improvement of Indian health conditions—including problems of financial support, sparseness of the settlements of many of the tribes, difficulty in recruiting professional personnel for isolated stations, and the lack or inadequacy of community hospitals and local health departments in many of the areas surrounding Indian reservations. Furthermore, the administrative separation of health services from other related Indian services—particularly those in the field of education and public welfare—might create new administrative difficulties and actually retard the overall improvement of living conditions on Indian reservations.

So that from the very outset, both the Departments and the Bureau of the Budget have opposed this legislation.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. MILLER of Kansas. I wish to associate myself with the gentleman on this issue because I have a number of Indian tribes in my district, and they feel about this just as your Indians do and just as you do.

Mr. EDMONDSON. I thank the gentleman.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

Mr. MILLER of Nebraska. Mr. Speaker, I yield the gentleman 3 additional minutes.

Will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. MILLER of Nebraska. I wanted to ask the gentleman about the amendment on page 2, line 2, providing:

Provided, That hospitals now in operation for a specific tribe or tribes of Indians shall not be closed prior to July 1, 1956, without the consent of the governing body of the tribe or its organized council.

Does that not help the gentleman's situation somewhat?

Mr. EDMONDSON. I will state to the gentleman from Nebraska and I had intended to state this in the course of the remarks I wanted to make that, in my opinion, the conference committee definitely improved on the bill as it originally went through the House. The improvement which was written in by the conference committee is definitely a help to the Indian people who are opposed to this legislation. It does provide the possibility which I devoutly hope will be realized that in the next session of the Congress there may be remedial legislation passed, if necessary. I serve notice now of my intention to introduce such remedial legislation if it is made necessary by the passage of this

bill and the realization of fears which many of us feel about the operation of the legislation.

Why is it that the Indian people of Oklahoma, the National Congress of American Indians, and Indian tribes all over the country, have taken a stand against this bill to transfer health responsibility to the Public Health Service?

In the hearings before the Senate committee on this legislation, I do not believe a single Indian or Indian organization representative appeared in support of this bill.

I believe the major reason for their opposition is the apprehension that this bill will mean an early end to Federal responsibility for Indian health. When you read the bill, and find more than 75 percent of its language deals with methods to transfer Indian health facilities to local, State, or private agencies, this apprehension does not appear unreasonable.

H. R. 303 has been described as a master plan to end the Federal health program for American Indians. While its proponents may not consider it in that light, it certainly establishes the machinery and the methods to do the job.

Are we ready for this termination?

In Oklahoma, our Governor reports that the Indian death rate from tuberculosis is seven times as high as the non-Indian rate. The infant mortality rate among Indians is 10 times as high as among non-Indians. Many other death rates are comparably higher, according to my information. Does it sound to you as if the time for an end to Federal responsibility has arrived?

I can see little reason for vast American programs to aid the native populations of other continents, and to raise their health standards, while we shut down our own Indian hospitals and wash our hands of responsibility for our own first Americans.

May I take this opportunity before closing to thank the members of the conference committee for the breathing spell which they have inserted in this legislative in conference? We deeply appreciate the consideration given to us of the opportunity to present arguments against the legislation. I devoutly hope, in the event it should be passed, that the hopes which its sponsors have expressed for it will be realized and not the fears which those of us feel deeply in our hearts in reference to this kind of legislation.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, I thank the gentleman for yielding to me for the purpose of asking a question. Does this legislation in any way affect the rights of Indians, the preference rights of Indians, to employment in Indian hospitals, which they have under present law with respect to Indian hospitals under the Bureau of Indian Affairs?

Mr. D'EWART. The first line of the bill after "responsible" now reads:

All functions, responsibilities, and authorities and duties, of the Department of the

Interior and Bureau of Indian Affairs are transferred to the Public Health Service.

I would interpret that to mean that those authorities and those functions go along with the transfer.

Mr. ALBERT. I agree with the gentleman, and I thank the gentleman and the committee for making that insertion in the bill.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I am proud to have authored this piece of legislation because I think it will do more for the health of the Indians in our country than anything that has been done in the last 200 years. The gentleman from Oklahoma has told about the pitiful state of the health of the Indians on the reservations in Oklahoma under presently existing conditions. That is precisely why the bill is so badly needed. Why should we want to continue a situation as bad as he has described?

In the State of Minnesota—and I have had nothing to do with it—I have seen the good results from the adoption 25 or 30 years ago of the general pattern of integration of Indian hospitals, where suitable, with hospitals for the general population.

The marked improvement in the condition of the Indians has been beyond anybody's expectation. Instead of the Indian tuberculosis death rate being 7 to 1 as in Oklahoma, only two Indians died of tuberculosis in the whole State of Minnesota last year.

I know that there was great concern in the State of Oklahoma and some in the State of New Mexico lest this bill were designed to close down a lot of Indian hospitals and curtail medical services for the American Indians. The sole purpose was to improve those services. If you will think about the situation that exists today in terms of modern means of transportation, it is clear why it is better to close down gradually some of the scattered little 10- and 15-bed Indian hospitals, where it is almost impossible to get doctors and nurses that are worth anything, and transfer the patients to the larger, well-staffed, well-equipped Indian and general hospitals that are within easy driving distance of all these reservations today.

Actually, the reason for the change from opposition to approval in the position of the agencies downtown was that when they studied the whole question and saw what could be done by transferring to the Public Health Service the medical service for the Indian population now being carried on by the Indian Bureau, they became convinced that it would be beneficial to the Indians.

It is almost impossible to get first grade doctors and nurses, unless they are real missionaries, to go to those isolated places. Without the doctor's draft, they would be closed for sure.

The Indian Bureau and its medical service are steadily shrinking and will continue to do so, for obvious reasons. It is impossible to build good morale. But in the Public Health Service, you will find a large staff, fine morale, and

high professional standards. It is proud of itself and its work. When given the responsibility for care of the Indians, it will not do or permit second-class work among them. Furthermore, the Public Health Service has a responsibility for the general health of the Nation, and one of the most important things it must do to improve and elevate the health of the general public is to clean out the foci of infection in some of the Indian reservations.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Arizona.

Mr. PATTEN. Since we are coauthors, for I also introduced this bill, I would like the Members of Congress to know, since I represent a district that has the most Indians of any district in the United States, I believe firmly, as does the gentleman from Minnesota [Mr. Judd] that this bill will do more for Indians' health than any other bill that has been introduced in my time in Congress. This bill will provide that a doctor will not take a 25-patient hospital and try to operate it, particularly when the majority of the patients are tubercular, as we have in Arizona and New Mexico and other States. A doctor who would take a hospital of that sort is not a doctor who can successfully employ his ability on the outside, and is there trying to amass enough money, by his frugal savings, in order to set out in private practice. This bill lends the doctor encouragement, with a career possibility that is not possible in Public Health. I wish to commend the gentleman from Minnesota for his very fine bill, and I sincerely hope that the Members of Congress will accept this bill, because I am sure, as sure as I am of almost anything, that it will benefit the Indians in my district.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I do not know how many Indians the gentleman from Arizona [Mr. Patten] has in his district, but if he has more than the 100,000 in my district, he has a good many.

Mr. PATTEN. Mr. Speaker, if the gentleman will yield, I just had a report from the Department of the Interior yesterday that in Oklahoma there are 44,000 Indians and in Arizona there are 64,000 Indians. I do not know where the gentleman gets his 100,000 from. He must be counting my wife, because she is one-sixty-fourth Chickasaw. The Department of the Interior gave me those figures yesterday, and wherever he gets his 100,000 figure, he must be counting them under the rocks.

Mr. EDMONDSON. Of course, I do not want to get into any statistical argument about Indians, but there are full-blood, three-quarter blood, half-blood, quarter-blood, and many other Indians. I am speaking of people with Indian blood in my district. There are more than a hundred thousand of them. May I say in answer to the gentleman from Minnesota [Mr. Judd] on the point of the doctor draft law being a vital factor in

this transfer that it is a fact, is it not, that a majority of the doctors in the Public Health Service today are there under the doctor draft law?

Mr. JUDD. That is right.

Mr. EDMONDSON. So the Public Health Service would be hurt by the termination of the doctor draft law just as would the Bureau of Indian Affairs?

Mr. JUDD. That is true. But it is far easier to recruit good men for the Public Health Service than for the Indian Service. Many men in the Public Health Service welcome the chance to spend 1 or 2 years in an Indian hospital where they can see cases of tuberculosis and many other diseases in more active stages than they often see nowadays among the white population. They want to be there on rotation for a period in order to learn more, just as though serving an internship, and then go back into the general service. It will be good for both services to have them together.

It will take a year for the Public Health Service to make its plans before taking over a year from now, and during the next year I am confident it will be able to convince those Indians who are now fearful that the change made by this bill will be of the greatest benefit to themselves.

Mr. Speaker, may I say one additional word of appreciation to the Committee on Interior and Insular Affairs for the very thorough consideration and hard work it devoted to this bill. Especially do I commend the committee report on H. R. 303. It is the best analysis and exposition of the problems we face in dealing with our shamefully neglected Indian population that I have seen anywhere. And it points to the sound remedies we should adopt.

Mr. MILLER of Nebraska. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

PATENT EXTENSION

Mr. CRUMPACKER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3534) to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by production controls.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) if at any time during any of the periods specified in subsection (d) of this section—

(1) the term of any unexpired patent of the United States included time during which any individual owning not less than a 50-percent interest in such patent was performing honorable service on active duty in the Army, Navy, Air Force, Marine Corps, or Coast Guard; or

(2) the practice of the inventions described and claimed in any unexpired patent of the United States was prevented or curtailed by any order of an agency of the Government prohibiting or limiting the production or use of any class of machines, articles, or materials, or the use of any class of processes or formulas;

then the term of such patent may be extended in accordance with the provisions of this act.

(b) The period of extension of a patent under this act shall be a further term from the expiration of the original term as follows:

(1) In cases where the only grounds for extension are those described in subsection (a) (1) of this section, the further term shall equal twice the length of the active service during the applicable period or periods specified in subsection (d).

(2) In cases where the only grounds for extension are those described in subsection (a) (2), the further term shall equal the time for which (during the applicable period or periods specified in subsection (d)) the practice of the inventions described and claimed in the patent was prevented or curtailed as set forth in subsection (a).

(3) In cases where grounds for extension exist under both subsection (a) (1) and subsection (a) (2), the further term shall be either that determined under paragraph (1), or that determined under paragraph (2), of this subsection, whichever results in the longer extension.

(c) If the ownership of the patent at the time the circumstances, described in subsection (a), which qualify the patent for extension, first arose, is different from the ownership at the time of the filing of the application for extension under this act, such application shall be acted upon only if the owner or owners at the time such circumstances first arose (or their legal representatives) have joined in such application.

(d) The periods during which one or more of the circumstances described in subsection (a) must have occurred in order to qualify a patent for extension under this act are as follows:

(1) The period beginning May 27, 1941, and ending December 31, 1945.

(2) The period during which the Selective Service Act of 1948 or the Universal Military Training and Service Act is in effect.

(3) The period during which title I of the Defense Production Act of 1950 is in effect.

(e) For the purposes of this section, a re-issue patent shall be considered to be the same patent as that which it supersedes.

SEC. 2. On the filing of an application for extension of the term of a patent hereunder, together with such information as may be required by the Commissioner, and upon payment of such fees as the Commissioner may from time to time prescribe, the Commissioner shall publish a notice thereof in the Official Gazette of the Patent Office. Any person may within 60 days from such publication oppose the extension stating the grounds therefor, which shall not include invalidity. If a proper notice or notices of opposition are filed, the Commissioner shall set a day for hearing upon 30 days' notice to the parties of interest. Upon the hearing the parties of interest shall present such evidence as they believe is pertinent and such other evidence as may be required by the Commissioner. If, from all the evidence presented before him, the Commissioner is satisfied that a patent should be extended in accordance with this act, he shall grant such extension. The Commissioner shall take action granting or denying an extension within not more than 6 months after the filing of the application for extension.

SEC. 3. If any applicant for an extension is dissatisfied with the decision of the Commissioner or of any board established by the Commissioner for the determination of ap-

plications for extensions, he shall have the same remedy by appeal to the United States Court of Customs and Patent Appeals, or suit in the District Court for the District of Columbia, as provided in the case of applications for patent.

SEC. 4. The Commissioner shall issue a certificate evidencing the granting of an extension hereunder. A notice of the granting of an extension shall appear in the Official Gazette of the Patent Office.

SEC. 5. Upon the issuance of the certificate of extension, said patent shall have the same force and effect in law as though it had been originally granted for 17 years plus the term of such extension, except as otherwise provided herein.

SEC. 6. No patent extended under the provisions of this act shall serve as a basis for any claim by reason of manufacture, use, or sale by or for the United States during the period of extension, and the rights of the United States shall remain in all respects as if such patent had not been extended.

SEC. 7. In the event an extension is not issued until after the date of expiration of the original term of a patent or reissue thereof, the extension order shall provide that any vested rights arising out of the actual manufacture, use, or sale of the invention covered by the patent so extended, which took place after the said expiration and before the issuance of the extension order may continue during the period of the extension upon such terms and conditions as the Commissioner may prescribe, including reasonable royalties, providing the person or persons claiming such rights, establish after a proper hearing such vested rights to the satisfaction of the Commissioner.

SEC. 8. In any action, for infringement after the expiration of 17 years from the grant of the patent and during the period of such extension, the defendant may plead and prove that any material statement of the application for extension required by this act is not true in fact; and if any one or more of such statements shall be found untrue in fact, judgment shall be rendered for the defendant with costs.

The Clerk read the committee amendment, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: "That (a) if at any time during any of the periods specified in subsection (d) of this section—

"(1) the term of any patent of the United States including time during which any individual or individuals owning solely or jointly with his spouse or their spouses the entire interest in such patent, was or were performing honorable service on active duty in the Army, Navy, Air Force, Marine Corps, or Coast Guard, which service prevented or substantially curtailed the normal use, exploitation, promotion, or development of the patent; or

"(2) the normal use, exploitation, promotion, or development of the inventions described and claimed in any patent of the United States was prevented or substantially curtailed by any order of an agency of the Government prohibiting or limiting the production or use of any class of machines, articles, or materials, or the use of any class of processes or formulas; or

"(3) to further the interests of the United States of America, the owner of such patent has heretofore granted a license thereunder to the United States, or to manufacturers, producers, or contractors authorizing them to produce or furnish goods or services for or to the United States, without payment of royalty, or at a nominal royalty, such license having been granted by such owner to promote any war effort, or any program of rearmament or preparation for the national defense, in which the United States has been

engaged since the invasion of Poland by Germany on September 1, 1939; and since September 1, 1939, under the authority of such license, the United States, or manufacturers, producers, or contractors furnishing goods or services to the United States, have made substantial use of the invention embodied in such patent in the production or furnishing of goods or services for or to the United States, such use of said invention having been of material assistance and benefit to the United States in connection with any war effort, or any program of rearmament or preparation for the national defense, which granting of a license, prevented or substantially curtailed the normal use, exploitation, promotion, or development of the patent;

then the term of such patent may be extended in accordance with the provisions of this act.

"(b) The period of extension of a patent under this act shall be a further term from the expiration of the original term as follows:

"(1) In cases where the only grounds for extension are those described in subsection (a) (1) of this section, the further term shall equal twice the length of the active service during the applicable period or periods specified in subsection (d).

"(2) In cases where the only grounds for extension are those described in subsection (a) (2), the further term shall equal the time for which (during the applicable period or periods specified in subsection (d)) the practice of the inventions described and claimed in the patent was prevented or substantially curtailed as set forth in subsection (a).

"(3) In cases where the only grounds for extension are those described in subsection (a) (3); the further term shall equal the period during which the initial license granted by the owner of such patent, without payment of royalty, or at a nominal royalty, was in effect after September 1, 1939: *Provided, however,* That in no event shall the period of extension hereunder be greater than the period during which the normal use, exploitation or development of the patent was prevented or substantially curtailed.

"(4) In cases where grounds for extension exist under more than one paragraph of subsection (a), the further terms designated in this subsection (b) shall not be cumulative but shall be determined under the applicable paragraph of this subsection (b) which results in the longest extension.

"(c) If the ownership of the patent at the time the circumstances, described in subsection (a), which qualify the patent for extension, first arose, is different from the ownership at the time of the filing of the application for extension under this act, such application shall be acted upon only if the owner or owners at the time such circumstances first arose (or their legal representatives) have joined in such application.

"(d) The periods during which one or more of the circumstances described in subsection (a) (1) or subsection (a) (2) must have occurred in order to qualify a patent for extension under this act are as follows:

"(1) The period beginning December 7, 1941, and ending September 2, 1945.

"(2) The period beginning June 26, 1950, and ending July 26, 1953.

"(e) For the purposes of this section, a reissue patent shall be considered to be the same patent as that which it supersedes.

SEC. 2. On the filing of an application for extension of the terms of a patent hereunder, together with such information as may be required by the Commissioner, and upon payment of such initial fees as the Commissioner may from time to time prescribe, the Commissioner shall publish a notice thereof in the Official Gazette of the Patent Office. Within 60 days from such publication any person may oppose an ap-

plication for extension by filing with the Commissioner a notice of opposition thereto stating the grounds therefor, which shall not include any charge that the patent is invalid. If a proper notice of opposition is filed and payment is made by the opponent of such initial fees as the Commissioner may from time to time prescribe, the Commission shall set a day for hearing which shall be within 45 days of the date of the filing of such notice of opposition, and shall give not less than 30 days' notice of such hearing to the parties in interest. Upon the hearing the parties in interest shall present such evidence as they believe is relevant and such other pertinent evidence as may be required by the Commissioner. If, from all the evidence presented before him, the Commissioner is satisfied that a patent should be extended in accordance with this act, he shall grant such extension. The Commissioner shall take action granting or denying an extension within 6 months after the filing of an application for extension. The Commissioner shall fix the total fees (not exceeding \$150) to be paid by each applicant for extension of the term of a patent hereunder and the total fees (not exceeding \$50) to be paid by each opponent to an application, the specific amount of all such fees to be determined according to the work of the Patent Office required in processing the application or in hearing an opponent thereto, as the case may be, and the estimated cost thereof to the Patent Office.

SEC. 3. If any applicant for an extension is dissatisfied with the decision of the Commissioner or of any board established by the Commissioner for the determination of applications for extensions, he shall have the same remedy by appeal to the United States Court of Customs and Patent Appeals, or suit in the District Court for the District of Columbia, as provided in the case of applications for patent.

SEC. 4. The Commissioner shall issue a certificate evidencing the granting of an extension hereunder. A notice of the granting of an extension shall appear in the Official Gazette of the Patent Office.

SEC. 5. Upon the issuance of the certificate of extension, said patent shall have the same force and effect in law as though it had been originally granted for 17 years plus the term of such extension, except as otherwise provided therein.

SEC. 6. Except where the owner of a patent extended hereunder was entitled to royalties under said patent (whether or not such royalties were received or waived) for any class of machines, articles, or materials, or for the use of any class of processes or formulas produced or furnished exclusively to or for the benefits of the United States, or used exclusively by or for the benefit of the United States, no patent extended under the provisions of this act shall serve as a basis for any claim by reason of manufacture, use, or sale by or for the United States during the period of extension, and the rights of the United States shall remain in all respects as if such patent had not been extended.

SEC. 7. In the event that an extension is not issued until after the date of expiration of the original term of a patent or reissue thereof, the extension order shall provide that any vested rights arising out of the actual manufacture, use, or sale of the invention covered by the patent so extended, which took place after the said expiration and before the issuance of the extension order, may continue during the remainder, if any, of the period of the extension upon such terms and conditions as the Commissioner may prescribe, including the payment of reasonable royalties, providing the person or persons claiming such vested rights establish such rights to the satisfaction of the Commissioner upon a hearing.

"Sec. 8. In any action for infringement after the expiration of 17 years from the grant of the patent and during the period of such extension, the defendant may plead and prove that any material statement of the application for extension required by this act is not true in fact; and if any one or more of such statements shall be found untrue in fact, judgment shall be rendered for the defendant, with costs.

"Sec. 9. Any application for the extension of the term of a patent hereunder shall be filed within 1 year from the effective date of this act except for applications which are filed under subsection (a) (1) of section 1, which applications shall be filed within 1 year from the effective date of this act or within 1 year from the date of the applicant's honorable discharge from service."

Mr. KEATING. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on this bill at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINE. Mr. Speaker, I desire to speak in behalf of H. R. 3534 which provides a long overdue measure of justice to inventors and patent owners who were injured through unilateral action of Government agencies during periods of national emergency. This bill has my unqualified support, and I wish to strongly urge the passage of this bill today.

Let me point out that this bill has had the unanimous support of the subcommittee, and subsequently, the unanimous support of the full Judiciary Committee under its very able chairman, the gentleman from Illinois [Mr. REED].

The gentleman from Indiana [Mr. CRUMPACKER], the author of this bill, is particularly deserving of praise for his thoroughness and his very able handling of this subject. This is particularly notable when one realizes that the bill, as now presented, encompasses the best features of the several bills covering all pertinent phases of the subject which were presented for consideration to the committee.

As a collaborating member of the subcommittee I have the fullest appreciation of the constructive contributions of Mr. KEATING, subcommittee chairman, and also of the other members—Mr. WILLIS, Mr. DONOHUE, and Mr. TAYLOR. The passage of this bill will forestall the introduction of private bills to take care of individual cases of injury and place the burden of handling such cases where it rightfully belongs, in the Patent Office, for Congress is not equipped to handle the technical details of such applications for relief, nor should it be burdened with this extra work.

There are 3 major reasons why relief should be granted, all 3 of which have been taken care of in this bill:

First. Many members of the Armed Forces were prevented from exploiting their patents while in the service.

Second. Many owners were prevented from using their patents by direct Government stop orders.

Third. A number of patent owners who granted a free license to the Government under their patents were de-

prived of any return during the free Government license period.

The term of a patent is 17 years, and when through Government action this term is reduced, in justice to the patent owner, the time taken away should be restored. That is why in my opinion this bill really amounts to patent restoration rather than patent extension.

There is a precedent for the passage of this legislation in Public Law 598, passed by the 81st Congress, which provided for extension of patents to patent owners who served in the Armed Forces during World War II. It is also a fact that all the major countries of the world, except Russia, have passed and now have in force similar patent extension legislation. Such legislation has long been overdue in this country.

Public Law 598 was limited to World War II, and makes no provision for members of the Armed Forces who served during the Korean emergency. This bill extends the same provisions of Public Law 598 to the period of the Korean emergency.

In considering this bill it should be borne in mind that while many people suffered economic losses due to war conditions for which the Government could not be expected to recompense them, the relief granted to patent owners under this bill is not based on economic conditions due to the war but is solely based on Government interference with the patent property.

It should also be borne in mind that under this bill no extensions will be granted without a proper showing of substantial injury and that full provision has been made to protect the interests of those who might have intervening rights.

The Patent Office, which under this bill will have the responsibility for administration, has already had successful experience in administering such extensions under Public Law 598.

This bill will not lead to added expense on the part of the Government for the fee provisions as drafted were designed to take care of the cost of processing of the applications through the Patent Office.

Because in these closing days of Congress time is so precious I will not go further into the many cogent reasons why this bill should receive the support of each and every Member. Our inventors should be encouraged, not discouraged. A pronouncement of our Supreme Court made on March 8 of this year supports this view:

The economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in science and useful arts. Sacrificial days devoted to such creative activities deserve rewards commensurate with the services rendered.

There is just one additional point I wish to emphasize. And that relates to the question of the inclusion in the report of the three letters submitted at the hearing time in 1953 by the Departments of Commerce, Justice, and Navy, respec-

tively. The Navy letter contains the statement that the Department of the Navy does not wish to object to the passage of the bill. The Commerce Department and the Justice Department, however, did raise objections and it would be well to explain that these objections pertained, at that time in 1953, to the basic H. R. 3534 which has been significantly amended since that time by the committee. In fact, I am advised that the majority of the amendments were worked up in collaboration with the Commerce Department and the Patent Office and were pronounced by the personnel of these agencies to result in an elimination of any problem and objections which they posed in their original letter to the committee and would cure any objections that they had to the passage of the bill if the Congress would see fit to adopt these amendments. The committee did adopt these amendments in total, therefore it is my opinion and I am sure those of the members of the committee that the Department of Commerce and the Justice Department do not now voice objections of the bill in its present form.

Mr. KEATING. Mr. Speaker, I will leave to others, who by training and experience are better qualified than I, to discuss the niceties of legal theories regarding the characteristics of the rights which are granted to inventors by the issuance of patents by the United States.

My remarks will be confined to the fundamental merits of this bill as a demonstration of the determination of Congress to redeem the merited reputation that our Government holds for discharging whatever obligations it assumes.

As a prelude to these brief comments, it is sufficient to reiterate the significant words of our Constitution by which Congress is granted the power "to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive rights to their respective writings and discoveries."

I speak only to the basic question presented by this bill of whether or not the Congress, pursuant to this purposeful grant of power in the Constitution, already has passed legislation under which the Government has fully discharged the obligations it assumed by the issuance of patents to inventors. To weigh the equities of the proposed legislation now under consideration, it is immaterial to me whether the holder of a patent issued under our present laws has the exclusive rights to its full use and exploitation or whether he has merely a right to exclude others from its use. Under any theory, the fundamental issue before us is whether or not the Government has fairly and diligently and completely carried out the obligations thus assumed.

From the testimony presented to the Committee on the Judiciary upon the hearings on this and several other bills for patent extension, I believe the conclusion is inescapable that the Government is at least morally bound to grant an extension of the terms of patents under the conditions specified in the bill as amended by the committee.

Essentially, the rights granted to an inventor by the issuance of a patent under our laws are analogous to those which arise out of a simple contract. In exchange for the public disclosure and dedication of an invention, the Government of the United States solemnly undertakes to secure to the inventor the exclusive rights to the use of his invention for a full period of 17 years. That is the inducement to inventors which the Government has long offered by law and upon which inventors have been led to rely.

Now, as legislators we would be justifiably incensed if some one proposed that we enact a statute arbitrarily reducing the terms of patents heretofore issued and outstanding from the issued period of 17 years to a period of 13 years or even less. We would regard such a proposal as a clear violation of the obligations which the Government assumed when the patent was issued. And yet the result is the same when the Government during public emergencies, issues an order directing that for a period of time the holder of a patent shall not use certain machines or articles or materials or processes the use of which is necessary to the use or development or manufacture or exploitation of a patented invention. A similar result occurs when the inventor himself is drafted into the armed services or is accepted for enlistment therein.

The fact that the Government does not take such drastic measures except during public emergencies does not justify the Government refusing to make reasonable restitution for that part of the 17-year period of the patent during which the action of the Government prevented or substantially curtailed the use and development of the patent. In my opinion, the provisions of this bill would provide no more than reasonable restitution in those classes of cases most directly affected.

The right to the exclusive use of a patented invention for the full period of 17 years is analogous to, if not in essence, a right of property. Where the Government expropriates private property for public use it is required by the Constitution to pay just compensation therefor. If public emergencies such as World War II or the Korean conflict force the Government to abridge the special obligations it assumed by the issuance of patents, the least the Government can do to make good its original undertaking is to extend the terms of such patents for a period corresponding to that during which the normal use or development of the patent was prevented or substantially curtailed.

My conclusion is that unless a bill such as H. R. 3534 is enacted into law, we cannot contend that our Government has fairly and justly carried out the obligations it assumed by the issuance of patents under our laws. To avoid such an unjust and distasteful consequence I urge all of my colleagues to support this bill.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House resolution 655 was laid on the table.

EXTENSION OF THE WATER FACILITIES ACT

Mr. HOPE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3137) to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes," approved August 28, 1937 (50 Stat. 869), is amended—

(1) By deleting the phrase "in the arid and semiarid areas of the United States" from the first sentence in the first section.

(2) By deleting the phrase "in the arid and semiarid areas of the United States" in the last sentence of the first section and inserting in lieu thereof the following: "in the United States, including the Territories of Alaska and Hawaii, and Puerto Rico and the Virgin Islands."

(3) By deleting the phrase "in the said areas" wherever it appears in section 2.

(4) By inserting at the end of said act the following new sections:

"Sec. 8. No aid shall be extended under the provisions of this act which will result in any individual, partnership, trust, estate, or unincorporated association becoming indebted to the United States in a principal amount outstanding at any time in excess of \$25,000, or which will result in any corporation or agency becoming indebted in a principal amount outstanding at any time in excess of \$250,000, or which after January 1, 1954, shall provide for construction work, other than technical assistance, being done by the Secretary.

"Sec. 9. (a) In order to establish a program of insuring loans made by lenders other than the United States which comply with the requirements of this act and are in furtherance of its objectives, the Secretary of Agriculture—

"(1) is authorized to insure and make commitments to insure such loans on such terms and conditions as he may prescribe;

"(2) is authorized to include in insurance contracts agreements to service loans insured thereunder and to purchase such loans which are not in default on such terms and conditions as he may prescribe;

"(3) shall utilize the insurance fund (hereinafter called the fund) created by section 11 of the Bankhead-Jones Farm Tenant Act, as amended, and the provisions of sections 13 (b) and (c) of the said Bankhead-Jones Farm Tenant Act to discharge obligations under insurance contracts made pursuant to this act;

"(4) shall require the borrower to pay such insurance charges as he deems proper, taking into account the amount of the loan and prior liens: *Provided, however, That the*

charge shall be payable in advance at intervals of 1 year or less and shall be at a rate equal to at least 1 percent per annum of the principal outstanding on the loan insured on the due date of the charge;

"(5) may utilize the fund to pay taxes, insurance, prior liens, and other expenses to protect the security for loans which have been insured hereunder, and to acquire such security property at foreclosure sale or otherwise;

"(6) shall liquidate acquired security property in such manner and on such terms as he deems will best preserve the fund; and

"(7) shall have authority to make such rules and regulations and such delegations of authority as he deems appropriate in order to carry out the provisions of this act.

"(b) Notes and the security therefor acquired by the Secretary under insurance contracts shall become a part of the fund. The notes may be held in the fund and collected according to their terms or may be sold and reinsured. All proceeds from such collections, including the liquidation of security, and sales shall become a part of the fund.

"(c) One-half of all insurance charges shall become a part of the fund and one-half shall be deposited in the Treasury of the United States and shall be available for administrative expenses in connection with the insurance program authorized by this act.

"(d) Any contract of insurance executed by the Secretary under this act shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder of the contract has actual knowledge. The provisions of sections 11 and 13 (b) and (c) of the Bankhead-Jones Farm Tenant Act, as amended, shall be applicable and available for the purpose of providing funds for the discharge of obligations arising under the insurance program authorized by this act.

"(e) The aggregate amount of the principal obligations on loans insured under this act, shall not exceed \$25 million in any 1 fiscal year.

"(f) The first paragraph of section 24, chapter 6, of the Federal Reserve Act, as amended (12 U. S. C., 1952 ed. 371) is hereby amended by inserting after the phrase "Bankhead-Jones Farm Tenant Act" the following: ", or the act of August 28, 1937, as amended."

SEC. 2. Section 7 of the act entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," approved August 11, 1939, as amended (53 Stat. 1418; 54 Stat. 1119, 1124; 63 Stat. 171), is repealed.

With the following committee amendments:

Page 2, line 14, after the word "estate", insert the words "corporation engaged in farming."

Page 2, line 17, after the words "in any", insert the word "other."

Page 2, at the end of "Sec. 8", insert the following new "Sec. 9" and renumber subsequent section to conform:

"Sec. 9. The Secretary of Agriculture is authorized, upon such terms and conditions as he shall prescribe, to make loans for the purposes of financing the improvement of farm land by soil or water conserving or drainage facilities, structures or practice, improvement of soil fertility, establishment of improvement permanent pasture, sustained yield afforestation or reforestation, or other erosion preventatives, and such other related measures as may be determined from time to time by the Secretary."

The committee amendments were agreed to.

Mr. HOPE. Mr. Speaker, I ask unanimous consent that all Members who so

desire may extend their remarks on this bill at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GATHINGS. Mr. Speaker, this bill will do more in behalf of the farmer who resides outside of the so-called arid or semiarid West than any legislation proposed to this House during my service here. I have received many communications from my district in the interest of water facilities loans. These loans are now being made in 17 States of the West. The program has been successful in that more than \$30 million has been loaned since the original act was approved in 1937 and only \$9,700 has been written off. All States should be accorded the same consideration which this bill offers. The bill would, first, extend to the entire United States the benefits of the Water Facilities Act; second, would replace the existing maximum loan amount of \$100,000 for any one project with a limitation on the outstanding indebtedness of any one borrower of \$25,000 in the case of an individual farmer or corporation engaged in farming and \$250,000 in case of farmers' associations; and, third, provide for insured loans as well as direct loans.

The drought in the State of Arkansas is in its third year. If a general rain is not had across the State soon, the situation will be as desperate as in 1953. Recently, I have obtained from the United States Department of Commerce, Weather Bureau, some rainfall figures which are significant. The total and normal rainfall from May 21 through September 30, 1953, is as follows:

| | Total | Normal |
|------------------|-------|--------|
| Helena..... | 1.48 | 15.87 |
| Marked Tree..... | 8.38 | 15.87 |

These figures indicate the serious problem confronting eastern Arkansas farmers.

Farming is a perilous undertaking since those who engage in the occupation subject themselves to the risk of all types of weather conditions. Should irrigation loans be made available, risks and hazards would be greatly minimized. To provide water on farmlands during the dry months would make it easier for farmers to obtain crop production loans from private agencies. Irrigation methods on row crops have been resorted to in many Southern States in the past 2 years. Pasture irrigation is increasing at a rapid rate. To be able to put water on farmlands when it is needed will revolutionize farming in the days that lie ahead.

I trust that the bill will be approved.

Mr. SMITH of Mississippi. Mr. Speaker, I am pleased to join in urging the House to pass S. 3137, to extend the Water Facilities Act throughout the United States. I have a special interest in this bill to make irrigation loans available to farmers over the Nation, because I was the first Member of Congress to introduce such legislation in the House. I realize, of course, that the legislative situation is such that it is more practical to pass the Senate bill than the

original House bill today, and I heartily endorse this action.

The program which will be authorized for the entire country if this bill becomes law will vastly improve efficient agricultural production throughout the United States. If this program is properly administered, it will greatly lessen the economic burden of the searing droughts which have been so costly to American farmers during the past few years.

In Mississippi, we have an abundant supply of rainfall, but even that total rainfall is not distributed properly for the best production of almost every type of agricultural commodity. With water supply at hand, the farmer needs only proper irrigation facilities to make the best use of this resource. Irrigation equipment is a major investment, however, and only through a loan program such as is authorized here can there be any assurance that the average farmer will be able to buy the equipment.

EXAMPLE FROM MISSISSIPPI

The situation in my State of Mississippi best explains the value of this legislation to the non-Western States. The weather cycle during a year of record rainfall makes it abundantly clear, however, that the normal pattern of rainfall does not result in the best use of the water supply with which our region has been blessed. There can be no question but that certain types of irrigation will yield benefits to our entire agricultural economy.

Expansion of rice production in Mississippi first demonstrated the advantages of a regular irrigation system. It is obvious that pastureland can be a primary beneficiary from irrigation, but the limited experiments and studies which have been made in our area indicate that inexpensive irrigation practices would often be beneficial for row crops like cotton and corn. If productive efficiency can be increased in this manner, then it is certainly wasteful not to put such practices into operation.

SOUND WATER STUDY NEEDED

Before irrigation develops in haphazard fashion in our area, it is important for the future prosperity of the entire State to know more about our basic water resources. Such a study should be a joint venture of local, State and Federal governmental agencies, as well as private organizations and citizens concerned with the problem. With this in mind, I have helped to secure the cooperation of the United States Geological Survey in a study being sponsored by the State of Mississippi. The information secured from this study should provide the basis for a sound water conservation policy to be adopted by the State. The sooner such a policy is adopted, the less chance there will be for the necessity of restrictive legislation limiting the use of wells for agricultural and industrial purposes.

Water has always been a natural enemy for farmers in the Mississippi Delta and the adjacent bluff hills, but there is good reason to believe that an important part of this surface water can be utilized for irrigation purposes in the future. Certainly the further de-

velopment of our flood control program should be coordinated with the expected needs of water supply for irrigation purposes.

Water supply is not merely an agricultural problem. It is a major need for many types of industrial development, and assurance of a stable, adequate supply will be of great value in our State in its program of achieving a balance between agriculture and industry. Forethought today in the matter of intelligent use of our water resources will save us many headaches in the future.

Mr. Chairman, I urge prompt and favorable action on this bill, which can mean so much to the farmers of our country.

Mr. HOWELL. Mr. Speaker, I am glad to support the proposal from the Department of Agriculture for extending to the entire country the benefit and loan provisions of the Water Facilities Act of August 28, 1937.

As initially drawn, the act has applied only to the arid and semiarid regions of the country, particularly States and parts of States in the Great Plains area. It was one of a series of steps undertaken by the Roosevelt administration to fight the ravages of duststorms, erosion, drought, and economic disaster for agriculture and small business of that section of the country.

An extension of the principles of that law into other areas of the country where water supply is a serious and growing problem is logical and proper. In New Jersey, with our great truck-farming operations, usually on family-size acreage, water supply is becoming a subject of greater and greater local interest.

Wise use of irrigation and overhead sprinkling systems in the New Jersey truck farms has been an important factor in increasing the yield and in making for more efficient and more remunerative farming in my State. I know that the agencies of New Jersey and the farmers of New Jersey will join wholeheartedly with the Soil Conservation Service in providing the necessary State and local cooperation for any joint programs undertaken under this bill to expand water-storage facilities and to provide for the construction of necessary ponds, reservoirs, wells, check dams, pumping installations, and such other facilities as are indicated by the proposed survey which would be made under the bill.

As for the loan provisions for assistance to cooperative water users' associations or to individuals in getting adequate water facilities, I am glad the Department of Agriculture has recognized the existence of a problem here and is seeking to help.

As the Department stated in its letter to the Congress forwarding a draft of the proposed legislation:

There is ample evidence of an extensive need in the less arid areas of the country for the development and improved use of water supplies for farm homes, for livestock, and for irrigation of small gardens. According to a preliminary report of the 1950 census of housing, approximately one-half of the 5,894,000 occupied rural farm dwellings have no running water. This condition undoubtedly exists in many instances because of a

lack of developed sources of water or a need for replacing or improving existing sources. Frequently, the development or improvement of suitable water supplies is so costly that it cannot be accomplished by farmers from available farm income in any 1 year. The availability of adequate credit on suitable terms for water development and utilization is one of the important factors in obtaining any desired improvement of this condition.

The limit of \$25,000 which could be borrowed at any one time under this bill by any individual, partnership, corporation engaged in farming or association, and the \$250,000 limit for a loan on any single project should be ample to cover most needs for credit to build necessary facilities, and those limitations are probably wise for the present—particularly while the program is just getting started in new regions.

If experience shows that more leeway is needed on loan limits on bigger projects, the limitation can always be changed once we have built up some experience under the expanded program.

While this bill appropriates no funds for the work but merely authorizes appropriations to be made in other legislation, I understand that the Department of Agriculture and the Bureau of the Budget feel that \$5 million for additional loans and \$350,000 for administrative expenses should cover the first year's operations. In that respect, as well as in the provisions of the bill setting maximum limits on individual loans, I think experience should be the best teacher as to what the real needs will be.

I would like to suggest, Mr. Speaker, that in addition to this worthwhile measure to help our farmers to get more adequate water supply and storage facilities, we also do some serious thinking and come forward with legislation to assure more adequate water supplies to our large cities and to industry. This is a problem of deep and long-range significance; and we have only touched its surface.

Mr. HOPE. Mr. Speaker, this bill, S. 3137, is a companion bill to H. R. 8386, introduced by myself; H. R. 8398, by Mr. ABERNETHY; H. R. 8437, by Mr. SMITH of Mississippi; H. R. 8443, by Mr. ELLIOTT; H. R. 8874, by Mr. BATTLE; and H. R. 9069, by Mr. CURTIS of Nebraska. In addition, Mr. GATHINGS of Arkansas introduced H. R. 5975, having the same purpose as this legislation.

Both the House and Senate bills, as originally introduced, provided for an extension of the Water Facilities Act to all of continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, instead of applying only to 17 Western States, as provided in the original Water Facilities Act. The bill also replaced the existing \$100,000 limitation on financial assistance for any one project, with a new limitation of \$25,000 on the outstanding indebtedness of any individual farmer or rancher, and \$250,000 in the case of a corporation or agency.

The bill in the form in which it was reported by the House Committee on Agriculture also contained amendments providing for a system of direct loans for soil-conservation purposes. This is contained in section 9 of the bill. The bill

also provides for a program of insured loans for the purpose of aiding in the development of facilities for water storage and utilization, and for soil-conservation purposes.

The amendment which was adopted by the Committee on Agriculture to include the improvement of farmland by the construction of soil and water conserving or drainage facilities, and so forth, was offered by the gentleman from South Dakota [Mr. LOVRE], who has long advocated a program of this kind.

In the first session of this Congress Mr. LOVRE and Mr. POAGE introduced bills setting up a system of insured loans for conservation activities. Also the gentleman from Nebraska [Mr. CURTIS] included a program of insured loans in the bill which he introduced covering water facilities.

Thus the bill in the form in which it has passed the House is an exceedingly important measure and one of wide general interest.

I think it is difficult to overestimate the effect which this legislation may have on the future agricultural progress of this country. In addition to its great importance in advancing conservation work, the program authorized by this legislation should materially assist in facilitating long-needed land-use adjustments. It should aid substantially in bringing about desirable uses of acres diverted from the production of surplus crops, as well as relieve the impact of drought conditions and stabilize the agriculture in various areas of the Nation.

The fact that the bill has just passed the House by unanimous consent demonstrates the wide recognition of its importance and value.

Mr. WICKERSHAM. Mr. Speaker, in addition to other favorable features, this measure will provide for Government insurance of loans made by banks and other lending institutions for the purpose of drilling wells, irrigation systems, domestic water, and for both direct and insured loans for soil-conservation improvements to individual farmers, water districts, and associations.

I have recommended such legislation for some years, and I heartily commend the House Agricultural Committee for its favorable action.

Mr. LOVRE. Mr. Speaker, existing legislation authorizes the making of direct Government loans for water facilities only to farmers in the 17 Western States. S. 3137 extends the applicability of the program to the entire Nation and raises the ceiling on loans to incorporated water associations from \$100,000 to \$250,000. S. 3137 also contains two other significant amendments. The first of these is a completely new authorization to make loans for soil-conservation purposes. The second is a provision for insuring loans advanced by private lenders for both water facilities and soil conservation.

This legislation represents a positive step forward in helping to stabilize the income of our farmers and in accelerating the work being done in preserving the Nation's soil resources. Enactment of these amendments will assist in carrying out long needed adjustments in

land use, aid in making desirable use of acres diverted from surplus crops and materially assist in preventing losses due to drought.

Through the provisions of S. 3137, loans to assist in stabilizing production and income through irrigation and farmstead water facilities will be available throughout the Nation for many farmers who do not now have the resources, and who cannot otherwise secure credit, to make the necessary investment. Irrigation loans can be made for such things as construction of canals, water-distribution systems, land leveling and sprinkler equipment. Farmstead loans can be made for such things as providing water in barnyards and feedlots or for piping water into the dwelling. The loans will be scheduled for repayment over a sufficient number of years to be consistent with the repayment ability resulting from the greater income. Through provision for larger loans to incorporated water associations, the act broadens the service that can be given by helping groups of farmers make the large outlays for water supplies that are often necessary in order to bring water a sizable distance, dig deep wells, or provide for difficult distribution systems.

The provision for loans for soil conservation will provide the beginning of a realistic approach toward placing the necessary funds for adequate soil-conservation practices in the hands of those farmers who are farming the land where soil-conservation practices are most needed. Repeated studies of the soil-conservation problem have shown on the one hand that although great strides have been made in conserving the soil resources of the Nation, this progress has not been sufficient to offset the continually increasing drain through erosion, improper cropping practices, and other types of soil depletion. On the other hand, these studies have shown that soil-conservation work is seriously retarded in many areas where it is most needed because of lack of cash resources to install soil-conservation waterways, terraces, dams, and other permanent types of conservation measures.

The insured mortgage provision contained in S. 3137 should assist materially in providing water facilities and soil-conservation loans in sufficient volume to make a major contribution toward stabilizing the income of farmers and stepping up the rate at which soil-conservation measures are adopted. At the same time, it will provide the means of shifting the burden of loan financing from the Government to private lenders.

The existing legislation authorizing water facilities loans has resulted in a highly satisfactory program which justifies extension to the entire Nation. The repayment record of borrowers has been excellent. Approximately 99 percent of loan maturities have been repaid. Less than \$10,000 has been lost since the program was started in 1937.

These loans provisions are similar to a bill which I introduced in March of 1953, and I am very pleased that the committee has seen fit to include them as a part of this bill and that it was my amendment which brought this about.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 658 was laid on the table.

IN RECOGNITION OF THE HONORABLE EDWARD J. HART

Mr. RODINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, it is with mingled feelings that I invite the attention of the House to the impending retirement of our eminent colleague, the Honorable EDWARD J. HART. While I am honored and happy to have the opportunity of expressing my personal regard and esteem for this outstanding legislator and friend, I am at the same moment saddened by the thought that the Congress and our country will no longer be served by Representative HART. In the role of dean of New Jersey's Democratic delegation, he provided dynamic inspiration to those of us privileged to have worked by his side. We invariably received sage counsel from him when we sought his sound advice. I am confident that I express the opinion and sentiment of all his associates who will very keenly sense his absence after the present session of Congress.

With the 74th Congress which convened in January 1935, he began a distinguished career which will have extended through 10 Congresses. The 14th New Jersey Congressional District must shoulder a difficult challenge, indeed, in its endeavor to select a worthy successor who will adhere as closely to high ideals of public service. Never can we take lightly 20 years of illustrious devotion to duty, which were characterized by both the brunt of economic, social, and political upheavals and their trying aftermaths. He found himself embroiled in the wake of the great depression, with its severe economic implications, and after participating in the social-security problems which were soon to follow, the Second World War and the Korean conflict added their heavy burdens to the respective sessions of Congress in which he served. Throughout a long and trying period in Congress, he served with merit and distinction.

I should like nothing better than to relate here on the floor the varied achievements and efforts which crowned the Honorable EDWARD J. HART's noteworthy career in this House. And I am assured the membership as well as all who read the proceedings, would welcome my endeavor. I shall, however, recall for you only a few of his more conspicuous accomplishments.

Almost simultaneously with his being seated in the 74th Congress, he was appointed to the House Merchant Marine and Fisheries Committee and shortly thereafter was participating actively in the drafting of the Merchant Marine Act

of 1936. This act came at a propitious time, because it materially helped to save the day for the dangerously declining United States shipping industry. He consistently maintained an active interest in our merchant marine, and in February 1950 became chairman of the House Merchant Marine and Fisheries Committee. National recognition followed his appointment in 1945 as the first chairman of the permanent House of Representatives Un-American Activities Committee. Public housing and veterans' legislation constitute another broad, general area which furnished him the opportunity to seek enactment of progressive social legislation. His energetic participation in subsequent congressional struggles reflected his sincere concern with the cause of human welfare. He also brought a profound understanding to bear upon labor legislation, and frequently demonstrated his sympathy for the laboring groups in America.

The New York Herald Tribune fully recognized his sincerity and competence by stating in an editorial that he was "an able legislator" and applauded his credo of the committee's function. Mr. HART was quoted as deploring the attitude found in so many quarters that a thing is un-American because it is opposed to the personal views of those who are doing the denouncing.

Early in the course of World War II, Mr. HART exercised a vigorous opposition to communism, welcoming all subsequent opportunities to employ his unusual oratorical ability in the fight against subversive elements. He proved this antagonism clearly and effectively in his committee work and assignments, and also during numerous speaking engagements. Related indirectly to his labors in the National Legislature, yet making a distinct contribution to the welfare of his native State, was the competent 9-year administration of the office of chairman of the State Democratic committee.

Being accustomed to ED HART's absence from our ranks will prove no simple effort nor too pleasant a task. While we must redirect our thoughts and energies, we shall in the meantime look back with intense pleasure and pride in having been associated with our beloved and esteemed colleague. May he find boundless pleasure and deepest satisfaction in all his new endeavors. His devotion to affairs of government are surpassed only by his love and devotion to God. And we pray to Almighty God that He continue His generous flood of blessings which He has so consistently showered upon His faithful and deserving communicant, ED HART.

THE FARM PROBLEM

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, the following is a letter from a constituent of mine, Mrs. H. W. Darr, of Kimball,

Minn. It states briefly and clearly the problems facing farmers today and I am sure that it reflects the thinking of many farmers not only in my district but in our State. The paradox of falling farm prices and increased cost to consumers is a problem that demands our attention and I hope every Member of the House will consider the situation Mrs. Darr describes in working for a sound and realistic farm program.

DEAR MR. MARSHALL: Probably I am wasting the time of both of us. Just relieving a feeling of desperation. Why, why doesn't Congress pass a farm bill? I am not asking for any specific favors, just a good bill. My feeling for the administration from the top on down through the Agriculture Department is getting more and more negative. I have tried hard to feel that Secretary Benson knew what he was doing but it gets more and more confused.

We had another farmer from this neighborhood to dinner and the talk naturally was on what concerns us most. Jim is very discouraged. Said the first milk check after the drop to 75 percent cost him \$4. That was on a 2-weeks basis. Our guest said theirs was worse. How would Benson or anyone like to have their living cut that much a month? Jim had to buy feed and hay and now the cows are down in production it is even worse. None of the necessary expenditures are any lower. All this is old stuff to you. Of course, Jim can and will sell most of the cows this winter unless the prospect is better. But, they are down in price also and won't bring anything like their value. He has a herd of fine Guernseys, 24 milking now.

We have relatives in the city. They were here yesterday and said the price of milk had gone up there. It's one awful mess. It was agreed at dinner that maybe we should write to you or our Senators who are trying to get some relief for the farmer. We still feel some confidence in our representatives.

So much time has been wasted and nothing of importance gained in the McCARTHY row that should have been put to valuable measures. Everyone I know is disgusted. Can't something constructive be done?

Sincerely yours,

Mrs. H. W. DARR.

SPECIAL ORDER GRANTED

Mr. MILLER of California asked and was given permission to address the House on Thursday next for 20 minutes, following the legislative program of the day and the conclusion of special orders heretofore granted.

COMMITTEE ON THE JUDICIARY

Mr. KEATING. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file reports on several bills.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HAND asked and was given permission to address the House for 10 minutes on Thursday next, following the legislative program of the day and the conclusion of special orders heretofore granted.

MULTIPLE MINERAL DEVELOPMENT

Mr. WHARTON submitted a conference report and statement on the bill (S. 3344) to amend the mineral leasing laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes.

ADDITIONAL STATIONERY ALLOWANCE

Mr. BISHOP. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 593.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House, fiscal year 1954, for the 2d session of the 83d Congress, an additional stationery allowance of \$400 for each Representative, Delegate, and the Resident Commissioner from Puerto Rico.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The resolution was agreed to, and a motion to reconsider was laid on the table.

TWO ADDITIONAL ASSISTANT SECRETARIES FOR THE ARMY, NAVY, AND AIR FORCE

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 689, Rept. No. 2553), which was referred to the House calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9689) to provide for two additional Assistant Secretaries of the Army, Navy, and Air Force, respectively. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDING SECTION 32 OF TRADING WITH THE ENEMY ACT

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 690, Rept. No. 2554), which was referred to the House calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2420) to amend section 32 of the Trading With the Enemy Act, as amended, and all points of order against said bill are hereby waived. After general debate, which shall

be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

AMENDMENT OF WAR CLAIMS ACT OF 1948

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 691, Rept. No. 2555), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself in the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 541) to extend detention benefits under the War Claims Act of 1948 to employees of contractors with the United States, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

JOINT COMMITTEE ON TIN

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Con. Res. 259, Rept. No. 2556), which was referred to the House calendar and ordered to be printed:

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a joint congressional committee to be known as the Joint Committee on Tin

(hereinafter referred to as the committee), to be composed of 14 members as follows:

(1) Seven Members of the Senate, 4 from the majority and 3 from the minority party, to be appointed by the President of the Senate; and

(2) Seven Members of the House of Representatives, 4 from the majority and 3 from the minority party, to be appointed by the Speaker of the House of Representatives.

A vacancy in the membership of the committee shall not affect the powers of the remaining members to execute the functions of the committee, and shall be filled in the same manner as the original selection. The committee shall elect a chairman and a vice chairman from among its members, one of whom shall be a Member of the Senate and the other a Member of the House of Representatives.

Sec. 2. It shall be the function of the committee to make the study and investigation determined necessary by section 1 (c) of Public Law 125, 80th Congress, which provides "It is necessary in the public interest and to promote the common defense that Congress make a thorough study and investigation regarding the advisability of the maintenance on a permanent basis of a domestic tin smelting industry and to study the availability of supplies of tin adequate to meet the industrial, military, and naval requirements of the Nation in time of national emergency."

Sec. 3. The committee shall report to the Senate and House of Representatives not later than January 3, 1955, the results of its study and investigation, together with such recommendations as to necessary legislation and such other recommendations as it may deem advisable.

Sec. 4. The committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to require by subpoena (to be issued under the signature of the chairman or vice chairman of the committee) or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

Sec. 5. The committee is authorized to appoint, without regard to the Classification Act of 1949, as amended, fix the compensation of such experts, consultants, technicians, and organizations thereof, and clerical and stenographic assistants as it deems necessary and advisable.

The expenses of the committee, which shall not exceed \$50,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman or vice chairman. Disbursements to pay such expenses shall be made by the Clerk of the House of Representatives out of the contingent fund of the House of Representatives, such contingent fund to be reimbursed from the contingent fund of the Senate in the amount of one-half of disbursements so made without regard to any other provision of law.

The committee is authorized, with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of all agencies in the executive branch of the Government in connection with its study and investigation.

SURVIVING DEPENDENTS OF DECEASED MEMBERS AND FORMER MEMBERS OF THE ARMED FORCES

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 549, Rept.

No. 2557), which was referred to the House calendar and ordered to be printed:

Resolved, That there is hereby created a select committee to be composed of five Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized and directed (1) to conduct a full and complete investigation and study of the benefits provided under Federal law for the surviving dependents of deceased members and former members of the Armed Forces, and (2) on the basis of such investigation, and study, to make such recommendations as it may deem advisable and to prepare such legislation as it may consider appropriate to carry out such recommendations.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with its recommendations and the legislation, if any, prepared under the preceding paragraph.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, as it deems necessary.

CAPITOL POLICE FORCE

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 656, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9413) to reorganize the Capitol Police force in order to increase its efficiency in the performance of its duties, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on House Administration now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and yield myself now such time as I may desire.

Mr. Speaker, we all agree that something must be done as a result of the incident that happened here on March 1 in regard to affording better protection and making conditions more secure here. The various officials of the House and Senate met and have agreed on a bill for better protection. This is a bipartisan bill. I believe it has the support of the leadership on both sides of the aisle.

Personally, I do not know what can be done about making our position more secure here, but I know we cannot sit idly by here after witnessing the incident of March 1, when it would have been possible that 15 or more could have lost their lives. As I say, in that respect we can do nothing about it, but I believe public reaction would be aroused if we sat here and had another incident of that kind. They would naturally say, "Cannot the Congress learn anything?" So I say this bill does provide for better protection here, nonpolitical protection. Many of these officers will be chosen irrespective of party and will be selected strictly on their merits.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, this is a matter of some importance to the Members, and I regret very much that there is not a better attendance to discuss the measure. I think it is rather unfortunate that we are bringing it out in this hurried way and that we are going to dispose of it in a few minutes. I believe this bill needs some further consideration. When this bill passes the House, the Members and the public generally are going to think we have done something to protect the House from further incidents such as that which happened in the gallery a few months ago. That is just about as far from the facts as anything can be. This bill is not going to affect security in the galleries one iota. It does not affect the doorkeepers and it does not put any uniformed officers in the galleries, and it has no effect whatsoever so far as protecting the Members of the House from assault from the galleries. All it does do is to set up a \$1 million-a-year police force for the Capitol.

Mr. PATTEN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman withhold the point of order for a moment?

Mr. PATTEN. Yes, Mr. Speaker.

Mr. ALLEN of Illinois. May we not adopt the rule tonight and then take up the bill and have it debated when a quorum is present?

Mr. PATTEN. I think we ought to have a vote on the rule. This many Members of Congress should not vote on any rule, and, therefore, I make the point of order that a quorum is not present.

Mr. HALLECK. Mr. Speaker, will the gentleman withhold his point of order so that I may make an observation?

Mr. PATTEN. I will, sir.

Mr. HALLECK. I am sorry the gentleman has taken that position because there are quite a few Members here.

Mr. PATTEN. A few is not a quorum, sir.

Mr. HALLECK. That is right, there is not a quorum present. I might suggest to the gentleman that there are two special orders for tonight and I would not want to move that the House adjourn and cut off those special orders. If the gentleman insists on his point of order, which I trust he will not, then, of course, we will not proceed further with the consideration of this rule. However, I must say to the gentleman I cannot see any reason for not adopting the rule. We are going to adopt the rule—make no mistake about that, and we are going on to the consideration of this bill.

Mr. PATTEN. The gentleman may be sure, but I am not.

Mr. HALLECK. Questions can be raised about the bill as to its provisions or its adequacy or its efficiency to accomplish its purpose when we consider the bill itself.

Mr. PATTEN. If I may ask the gentleman a question as to the parliamentary procedure, is there any way that this rule can be withdrawn and we can adjourn now until tomorrow?

Mr. HALLECK. No, we are not going to withdraw the rule.

Mr. PATTEN. Then, Mr. Speaker, I make the point of order that a quorum is not present.

Mr. SMITH of Virginia. I wonder if the gentleman would not agree to lay aside this rule for the moment and to go ahead with one other rule which you desire to get through today, to which I think there is no particular objection.

Mr. HALLECK. I might say to the gentleman, I have been informed that there is objection to it. I thought this matter of Capitol Police protection was something we should dispose of.

Mr. BURLESON. Mr. Speaker, if the gentleman will yield, I hope my colleague will not insist upon making the point of order so that we may proceed and adopt the rule. As the majority leader said, I think the rule will be adopted. If we could do that, and after a little discussion, if there are points raised on which the gentleman is not clear, then perhaps there would be justification for carrying the matter over until tomorrow. If the gentleman would agree to that, I think it would show a spirit of cooperation especially when this is a bipartisan bill reported out of the Committee on House Administration.

Mr. PATTEN. I think it is obviously inconsistent to stay here in session until 3:30 a. m. in the morning discussing bills that come up only occasionally, and at other times to adjourn at 1:30 p. m. in the afternoon. It seems to me since we have been here since 10 o'clock this morning, we could very well set aside this rule.

SPECIAL ORDERS POSTPONED

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the special orders entered for today may be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. HUNTER.

Mr. NEAL and to include extraneous matter.

Mr. YORTY in two instances and to include extraneous matter.

Mr. RABAUT and to include an article.

Mr. PRICE and to include extraneous matter.

Mr. MACHROWICZ.

Mr. ROONEY to include an editorial and other extraneous matter with reference to his remarks made in Committee of the Whole.

Mr. HORAN and to include additional matter in remarks made in Committee of the Whole.

Mr. GROSS and to include a report from the House Committee on Un-American Activities with his remarks made in the Committee of the Whole.

Mr. DONOHUE.

Mr. WIGGLESWORTH and to include a table in remarks made in Committee of the Whole today.

Mr. DAWSON of Utah.

Mrs. KELLY of New York.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6080. An act to authorize the appropriation of funds for the construction of certain highway-railroad grade separations in the District of Columbia, and for other purposes; and

H. R. 7128. An act to amend the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District of Columbia in the year 1896 and every third year thereafter, and for other purposes"; approved August 14, 1894, as amended.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3518. An act to amend the laws relating to fees charged for services rendered by the Office of the Recorder of Deeds for the District of Columbia and the laws relating to appointment of personnel in such office, and for other purposes.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 19 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, July 28, 1954, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1774. A letter from the Executive Secretary, National Advisory Committee for Aero-

nautics, transmitting a report relative to the effect that no contracts were negotiated by the National Advisory Committee for Aeronautics for the 6-month period ending June 30, 1954, pursuant to Public Law 413, 80th Congress; to the Committee on Armed Services.

1775. A letter from the Secretary of the Navy, transmitting relative to the proposed transfer to the American University of Beirut, a nonprofit educational institution, one SQ-type radar set for educational purposes, pursuant to the act of August 7, 1946 (ch. 804, 60 Stat. 897, as amended; 34 U. S. C. 546g); to the Committee on Armed Services.

1776. A letter from the Assistant Secretary of the Interior, transmitting a copy of Public Law 69, enacted by the 2d Guam Legislature (2d regular session), pursuant to section 19 of Public Law 630, 81st Congress, the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

1777. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to implement section 25 (b) of the Organic Act of Guam by carrying out the recommendations of the Commission on the Application of Federal Laws to Guam, and for other purposes"; to the Committee on Interior and Insular Affairs.

1778. A letter from the Chairman, Joint Committee on Internal Revenue Taxation, transmitting a report by the Joint Committee on Internal Revenue Taxation, dated July 27, 1954, covering refunds and credits of internal-revenue taxes for the fiscal year ended June 30, 1953, pursuant to section 3777 of the Internal Revenue Code (H. 481); to the Committee on Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McCULLOCH: Committee on the Judiciary. House Joint Resolution 472. Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton; with amendment (Rept. No. 2544). Referred to the Committee of the Whole House on the State of the Union.

Mr. HILLINGS: Committee on the Judiciary. H. R. 8210. A bill to amend subdivision (b) of section 14 of the Bankruptcy Act, as amended, relating to discharges, and subdivision (b) of section 58 of the Bankruptcy Act, as amended, relating to notices; without amendment (Rept. No. 2545). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on the Judiciary. House Joint Resolution 509. Joint resolution to establish the Woodrow Wilson Centennial Celebration Commission, and for other purposes; with amendment (Rept. No. 2546). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCULLOCH: Committee on the Judiciary. H. R. 7326. A bill to amend section 1721, title 18, United States Code, relating to the sale or pledge of postage stamps; with amendment (Rept. No. 2547). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEATING: Committee on the Judiciary. H. R. 7740. A bill to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after con-

viction, for arson; with amendment (Rept. No. 2548). Referred to the House Calendar.

Mr. HILLINGS: Committee on the Judiciary. H. R. 7914. A bill to incorporate the National Fund for Medical Education; with amendment (Rept. No. 2549). Referred to the House Calendar.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. Senate Joint Resolution 67. Joint resolution to repeal certain World War II laws relating to return of fishing vessels, and for other purposes; without amendment (Rept. No. 2550). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of California: Committee on Merchant Marine and Fisheries. H. R. 3660. A bill granting increases in the annuities of certain former civilian officials and employees engaged in and about the construction of the Panama Canal, and for other purposes; with amendment (Rept. No. 2551). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHARTON: Committee of conference. S. 3344. A bill to amend the mineral leasing laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes (Rept. No. 2552). Ordered to be printed.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 689. Resolution for consideration of H. R. 9689, a bill to provide for two additional Assistant Secretaries of the Army, Navy, and Air Force, respectively; without amendment (Rept. No. 2553). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 690. Resolution for consideration of S. 2420, an act to amend section 32 of the Trading With the Enemy Act, as amended; without amendment (Rept. No. 2554). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 691. Resolution for consideration of S. 541, an act to extend detention benefits under the War Claims Act of 1948 to employees of contractors with the United States; without amendment (Rept. No. 2555). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Concurrent Resolution 259. Concurrent resolution to provide for the Joint Committee on Tin; without amendment (Rept. No. 2556). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 549. Resolution creating a select committee to conduct an investigation and study of the benefits provided under Federal law for the surviving dependents of deceased members and former members of the Armed Forces; with amendment (Rept. No. 2557). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Missouri:

H. R. 10073. A bill to amend the Internal Revenue Code of 1939 by adding a new subsection thereto; to the Committee on Ways and Means.

By Mr. DEWART:

H. R. 10074. A bill to authorize the replacement of certain Government-owned utility facilities at Glacier National Park, Mont., and Grand Canyon National Park, Ariz.; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE:

H. R. 10075. A bill to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes; to the Committee on Agriculture.

By Mr. MASON (by request):

H. R. 10076. A bill to provide a simple incentive tax law as an alternate to the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. HOPE:

H. R. 10077. A bill to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended; to the Committee on Agriculture.

By Mr. KNOX:

H. R. 10078. A bill to amend section 435 (e) (1) (B) (i) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. MILLER of New York:

H. R. 10079. A bill to incorporate the Moms of America; to the Committee on the Judiciary.

By Mr. SADLAK:

H. R. 10080. A bill to provide additional time to file claims for the refund or credit of tax overpayments resulting from reductions in tax rates under certain international conventions; to the Committee on Ways and Means.

By Mr. ELLSWORTH:

H. R. 10081. A bill to amend section 22 (d) (6) (E) of the Internal Revenue Code of 1939 relating to involuntary liquidation and replacement of elective inventories; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 10082. A bill to amend the Internal Revenue Code to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. CARNAHAN:

H. J. Res. 570. Joint resolution reaffirming the principles of the first amendment, and calling upon the people of all nations to join in promoting universal observance of these principles; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. Con. Res. 262. Concurrent resolution expressing the sense of the Congress with respect to the payment of damages to certain American employees in the United Nations who were dismissed because of their refusal under the fifth amendment to answer questions before a committee of Congress; to the Committee on Foreign Affairs.

By Mr. JAVITS:

H. R. 10086. A bill for the relief of Heinz Kohn; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 10087. A bill for the relief of Anthony Barbatto; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 10088. A bill for the relief of Oy Wan Leung also known as Margarita Oy Wan Chan; to the Committee on the Judiciary.

By Mr. POFF:

H. R. 10089. A bill for the relief of Anthonius Marinus Kronenburg; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 10090. A bill for the relief of Dominick Lucci; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 10091. A bill for the relief of Maria Avveniri; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DONOHUE:

H. R. 10083. A bill for the relief of Stavros Theoharides; alias Stavros Theoharides or Steve Theoharides; to the Committee on the Judiciary.

By Mr. FRIEDEL (by request):

H. R. 10084. A bill for the relief of Leonides Glynos; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 10085. A bill for the relief of Mrs. Elizabeth Ellen Atkins; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1122. Mr. HAYS of Arkansas presented a petition of Mrs. W. E. Phipps and other members of the Women's Bible Class, First Methodist Church of North Little Rock, Ark., expressing approval of S. 3294 and H. R. 1227 to prohibit the advertising of alcoholic beverages, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

More on the Reinsurance Bill

EXTENSION OF REMARKS OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1954

Mr. NEAL. Mr. Speaker, the reinsurance bill, rejected by the House and returned to committee, would create another bureau under the Department of Health, Education, and Welfare. The first 5 years the administrative costs would be borne by the general funds of the Treasury. It sets up a fund of \$25 million to be used in a trial and error effort to develop a basis upon which the theory of reinsurance can be made to serve the medical needs of a greater number of people under the prepayment principle. This fund, after 5 years, supported by the payment of a percentage of total net collections from subscribers of carriers voluntarily participating, will then become a revolving fund to be administered by the Secretary.

The expressed object of the bill is to find ways and means of extending coverage of voluntary prepaid insurance. It makes no reference to compulsory coverage or to individuals and groups who are now without protection because of physical limitations or financial status. Therefore, it would seem to serve no useful purpose except to relieve those individual subscribers whose medical and hospital bills exceed the sums provided

for in their contracts with carriers. Few subscribers experience this condition. However, in cases of prolonged illness and hospital confinement this does become a matter of serious concern to subscribers. It is here that any form of reinsurance would serve a great need if it could be made self-supporting.

Blue Cross and Blue Shield nonprofit organizations, together with many insurance companies, have been adopting the prepaid principle of health insurance over a comparatively short period of time, but with remarkable success. During the course of their wide expansion they have accumulated a great store of financial and statistical information, experience tables upon which they can plan extensions of coverage to more employed and individual groups on a financially sound basis. Operating as individual units, serving area groups living under varying social and economic conditions, they are able to determine local needs and rates and extent of coverage best suited to the community. By cooperative interchange of experience, each group can learn of the successes and pitfalls of others. Each group is entitled to advice and counsel of statistical and financial experts who have learned their lessons from actual participation in the growth and development of the program. It is the American way of solving local problems locally by local planners who understand local needs. It would be difficult to see how politically appointed Government Administrators could possess the background to perform a better job by issuing orders out of Washington

than that being done with increasing success by those who have evolved the prepaid-insurance program.

As mentioned before, this bill providing reinsurance is not designed to protect that large group which cannot qualify for coverage. It affects only those who are employed and can afford the premiums. If reinsurance is needed to take care of those subscribers whose medical bills run beyond the contract provisions, then carriers can and probably will develop plans for such reinsurance. For this privilege, of course, they would be charged an extra premium, but the same cost would have to be paid if Government performed the same function as provided by this bill. In any event, reinsurance can be less expensively carried on by existing insuring agencies than can be done by Government, since they have at hand the facts of experience upon which to project plans.

There is, however, a sadly neglected group of citizens which the proponents of this bill seem to think can be covered eventually through a 5-year trial experimental period set out in this bill. I can see no chance that this will eventuate when reinsurance cannot be interpreted to protect those who for various reasons are unable to qualify for protection under prepaid contracts.

It is a distressing experience to see old men and women with no income, no old age pensions, no social security, and no friends or relatives, trying to exist on the meagre allowances they may be fortunate enough to receive from the inade-